Illinois U Library

United Nations

WORLD

The International Magazine Mar./35c

General Lucius Clay

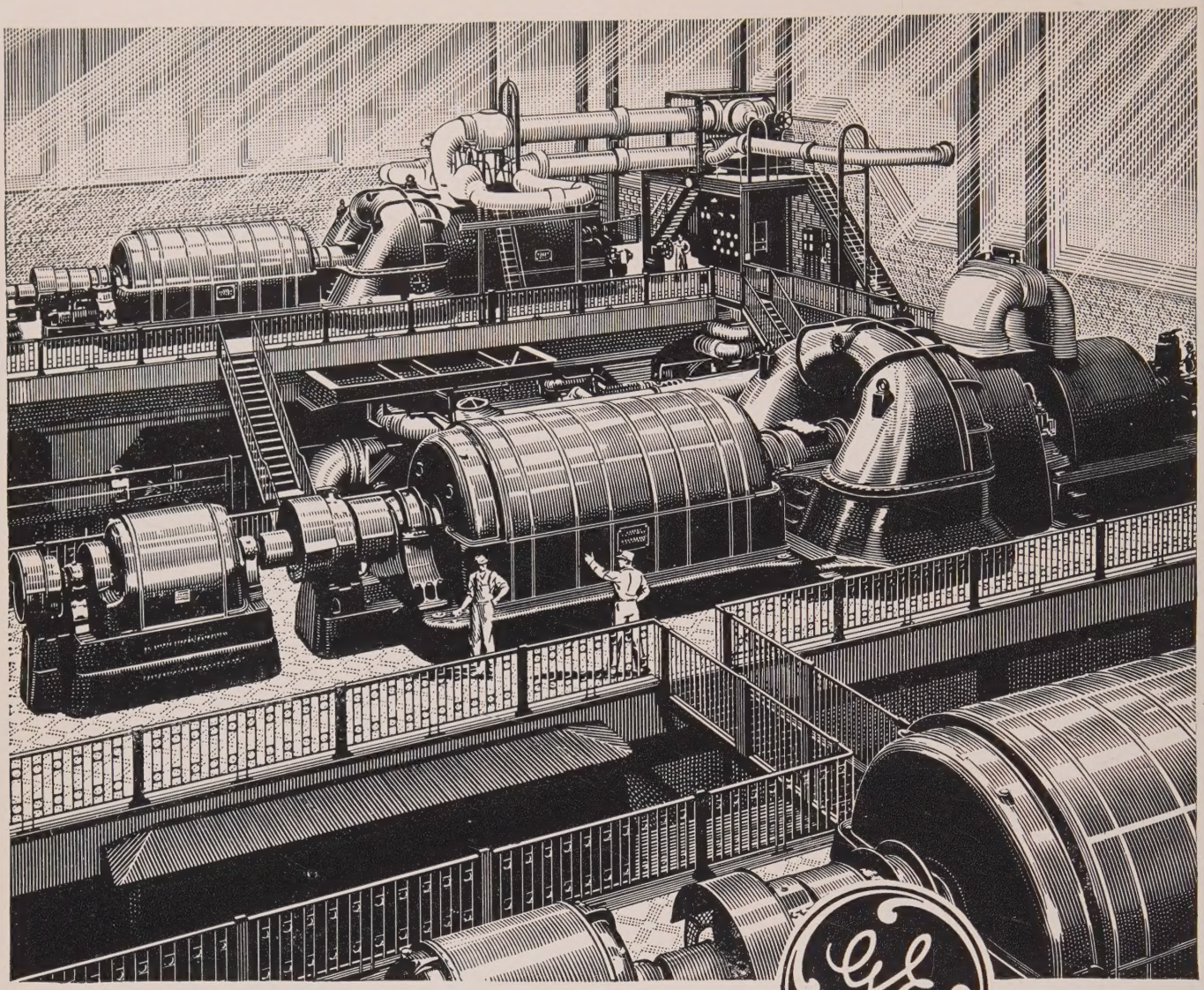
EXCLUSIVE INTERVIEW

The Forrestal Enigma

HIS PHILOSOPHY OF POWER

Ey

U 2AT 8L 1959 1-50R
UNIV OF ILLINOIS LIBRARY
CHICAGO UNDERGRADUATE
NAVY PIER -DIV
CHICAGO 11 ILL



G-E steam turbine-generators provide electric power for industry and the home.

If it's electric . . .

BE SURE IT'S GENERAL ELECTRIC

The industrial progress of a nation is directly related to the amount of electrical power that nation can produce and the uses to which that power is put.

With the world's greatest facilities for research, engineering, and manufacturing in the field of electricity, the General Electric Company has always dedicated its productive ability to the establishment of living and business standards that mean security and abundance for all people.

Through the International General Electric Company, every nation can draw upon the unexcelled resources and experience of General Electric. No electrical manufacturer is better equipped to serve you swiftly, economically, successfully. UN-9-1

INTERNATIONAL GENERAL ELECTRIC COMPANY
INCORPORATED

New York • Schenectady • Washington

OFFICES IN ALL THE PRINCIPAL CITIES OF THE WORLD

Letters

TO
THE
EDITOR

Practical Heroism

What a magnificent story of practical modern heroism was that of Dr. Wallquist in your February issue, "Death Doesn't Wear Skis." . . . If only we could and would all work to save life as he does—yes, and promote laughter in this too sad world.

HERBERT LEE
Santa Barbara, California

Voluntary Police

The trend of intelligent world thinking, accelerated greatly since the atomic bombs were detonated, is to International Law, and eventually to a Federal World Government.

Let us "take the measures necessary to maintain international peace" by calling for volunteers to form an international police force. The oath of office taken by the 4,000 employees of the United Nations: "I take orders from no government. . . . I will regulate my conduct with the interest of the United Nations only in view . . ." will rally loyalists who put truth before patriotism to maintain world order.

WILLIAM MITCHELL
Vancouver, B. C.

Instrument for Socio-culture

Man has subconsciously evolved three cultural instruments to promote individual and social integrity and a dynamic balance: religion, education, politics. They are not rationalized as yet.

We have arrived at that stage of cultural evolution where we can pioneer a rationalized socio-cultural instrument — a "pilot plant"—to promote individual and social integrity and a dynamic balance, without conflicting with anything. We can wait for "George" to do the UN, but we have to *pioneer* the "pilot plant."

PHILIP WEISS
St. Louis, Missouri

UNESCO View of UNW

The UNITED NATIONS WORLD has gone on sale in Paris. I have seen a copy of this publication and must congratulate its editors for the fine presentation of international subjects.

GEORGE WOODWARD
Bureau of Public Information
UNESCO, Paris

UNITED NATIONS WORLD, March, 1949, Vol. 3, No. 3. Published monthly by U.N. WORLD, Inc., 385 Madison Ave., New York 17, N. Y. Entered as second class matter August 2, 1948, at the Post Office at New York, N. Y., under the act of March 3, 1879. Price: 35 cents a copy, $4.00 for one year, $7.00 two years, $9.00 three years. Foreign Postage, outside US possessions, Western Hemisphere and Spain, $1.00 a year. Printed in the U.S.A.
Copyright 1949 by U.N. WORLD, Inc.

Rounds Travel Service, Inc.

Presents

UNITED NATIONS WORLD MAGAZINE

"Marshall Plan" Tour

- *A limited group movement to study the conditions in Europe.*
- *To meet representatives and dignitaries and discuss matters of international interest.*
- *To see the cathedrals, museums and scenic features.*

ALL THIS AND PARIS IN SPRINGTIME TOO!

England, Benelux Countries and France
34 days N. Y. to N. Y.—21 days in Europe
$838.00 Minimum rate cabin class SS America
$1055.00 Minimum rate 1st class SS America
Leave N. Y. May 14

England, Benelux Countries, France, Switzerland
38 days N. Y. to N. Y.—25 days in Europe
$841.00 Minimum rate SS Washington
Leave N. Y. May 25

England, France, Benelux Countries, Switzerland, Denmark, Sweden, Norway
45 days N. Y. to N. Y.—30 days in Europe
$926.00 Minimum rate SS Washington and return SS Stockholm
Leave N. Y. May 25

England, France, French and Italian Rivieras, Italy, Switzerland
34 days N. Y. to N. Y.—21 days in Europe
$1055.00 Minimum rate 1st class SS America
$838.00 minimum rate cabin class SS America
Leave N. Y. May 14

England, France, French and Italian Rivieras, Italy, Switzerland
38 days N. Y. to N. Y.—25 days in Europe
$841.00 Minimum rate SS Washington
Leave N. Y. May 25

All expenses include land and sea transportation, rooms with private bath, all meals, admissions, taxes.

Address inquiries to

Rounds Travel Service, Inc.

52 VANDERBILT AVENUE, NEW YORK, N. Y.

IBM MEANS SERVICE

For every business, large and small, there is an IBM product or service to help meet the requirements of business administration.

IBM Electric Time Systems, with electronic self-regulation, keep clocks, time recording units and signals on uniform time.

IBM Electric Typewriters produce results of high quality with minimum effort.

IBM Electric Punched Card Accounting Machines fulfill accounting and statistical requirements quickly and accurately.

IBM Service Bureaus make the benefits of IBM Accounting available to all business.

IBM devotes to these products and services for business, institutions and government the resources of its product and application research, engineering and development, manufacturing facilities, training schools, and sales and service personnel.

INTERNATIONAL BUSINESS MACHINES CORPORATION

World Headquarters Building, 590 Madison Avenue, New York 22, N. Y.

Offices in the principal cities

EDITORIAL BOARD:
Richard J. Walsh, *Chairman*
Pearl S. Buck
Eliot Pratt
William L. Shirer
Fred Smith
Vernon Pope, *Director*

CONTRIBUTING EDITORS:
Thomas Mann
Jawaharlal Nehru
Vincent Sheean
Lin Yutang

INTERNATIONAL EDITOR:
Louis Dolivet

MANAGING EDITOR:
Charles Burns

SENIOR EDITOR:
Ladislas Farago

WORLD BUSINESS EDITOR:
Herbert Harris

BOOKS, ART, TRAVEL:
Tibor Koeves

PICTURES AND PRODUCTION:
Pearl M. Steinhaus

ART CONSULTANT:
Tobias Moss

ART DIRECTOR:
Kenneth Audroué

ASSISTANT EDITORS:
Anne Palmos, M. M. Goebel, Anne Berry

ROVING CORRESPONDENTS:
Leo Lania, Curt L. Heymann

INTERNATIONAL CORRESPONDENTS:
Natalia Danesi Murray *(Rome)*; Gunnar Fagrell *(Stockholm)*; Vincent de Pascal *(Montevideo)*; Jenaro Fernandez MacGregor *(Mexico City)*; Francis Noel-Baker *(London)*; Jeanne Washabaugh *(Prague)*.

PUBLISHER:
Egbert White

GENERAL MANAGER:
Richard D. Mathewson

CIRCULATION DIRECTOR:
Margaret Stern

THE COVER

MACHU PICCHU—white granite city of the Incas discovered in 1912. Believed to be the last refuge of the Inca emperor against the Spanish.

UN WORLD THE INTERNATIONAL MAGAZINE

CONTENTS, March 1949 *Vol. 3, No. 3*

ARTICLES

General Clay Explains His Policy **12** *Curt L. Heymann*
The Forrestal Enigma **14** *Admiral Ellis M. Zacharias*
Norway's Ace in the Hole **17** *Ladislas Farago*
Australia: Nation of Promise and Problems **25** *Marc T. Greene*
Politically Christian **30** *Richard Goold-Adams*
Land of Sun-Love—Sweden **32** *Countess Madeleine Hamilton*

STATE OF THE WORLD

Reports from Tirana, Washington, Gautemala, etc. **4** *The Editors*
March Analysis **10**

UNITED NATIONS DIARY

Russia's Iakov Malik—Plump, blond, bland **56** *Nancy MacLennan*
Wise men of Tibet—Will they inherit the world? **59** *Burang*
Push-Button Diplomacy **60** *Emery Kelen*
50 Per Cent Plus—The UN's rating **63** *Sir Hartley Shawcross*

WORLD TRADE

The Economic Anatomy of Brazil **44** *The Editors*
US Trade Names in Brazil—A picture story **46** *William B. Larsen*
How Four US Firms Do Business in Latin America **48** *L. A. Goldsmith*
England Woos the Dollar **51** *Andrew Shonfield*
Telling the American Story **54** *Herbert Harris*

BOOKS

The Secret of the Short Story **37** *Sean O'Faolain*
Eyes South **40** *Earle K. James*
Short Reviews **41**
Letters **1**

EDITORIAL

Not Silence—Not the Sword **64** *Louis Dolivet*

SUBSCRIPTIONS: $4.00 one year, $7.00 two years, $9.00 three years. Foreign postage, outside United States possessions, Western Hemisphere nations and Spain, $1.00. Postage to APO and FPO addresses, free. Single copy price, 35c. Copyright 1949 by U.N. World, Inc., 385 Madison Ave., New York 17, N. Y. All rights reserved under the Pan-American Copyright Convention and International Copyright Union.

STATE OF THE WORLD

1. TIRANA

Cominform military activity against Tito's Yugoslavia is presaged by action in Albania and Budapest. Tito remains confident—unless Russian Army takes part in action.

2. WASHINGTON

Pentagon general claims MacArthur "is no longer interested in the democratization of Japan" . . . Zaibatsu coming back, encouraged to aid in "containment" plan for Far East.

3. GUATEMALA

President Arevalo damned as a Communist by neighbor dictators, protests he merely set out to raise wages.

4. COPENHAGEN

Denmark and Norway make a deal to trade captured German AA and fortress guns—the Danes to get the anti-aircraft weapons, the Norwegians the big fortress cannon (for Far North defenses?—see page 17).

5. OSLO

Norwegians resent State Department shunting Foreign Minister Lange into conferences with low-level functionaries who cannot speak with authority. Oslo recalls earlier Marshall and Dulles brush-offs.

6. MIDDLE EAST

Transjordan, Russia and the UN . . . Egypt's "impregnable Farouk Line" . . . Case of the missing emerald . . . Famine in the Hadhramaut.

7. BELGRADE

Tito sees not one world, not two, but three.

8. SPOTLIGHT

On Latin America: Significant events of the recent past and near future.

MARCH ANALYSIS

Brief diagnosis of the state of the world . . . The new, 1949 phase of the cold war . . . What "global diplomacy" means and the political, economic—and personal—weapons employed.

1 TIRANA

Yugoslavia is nearer to an armed showdown with its former Cominform brethren than at any time since the sensational break last year. (UNW, July, 1947.) This is the report of a confidential adviser who has just managed to penetrate to the forbidden city of Tirana, the Albanian capital. Military preparations against Tito, he reports, are evident in the Albanian countryside.

A general staff is already functioning with headquarters in Tirana. It gets its orders from a special planning board composed of the highest ranking military experts of the Cominform. They now hold daily sessions at 5 Academia Street in Budapest, with General Mihály Farkas, Hungarian War Minister and chief of staff of the Cominform military department, in the chair. While much of the military preparations are successfully camouflaged, the political activities for the creation of a *casus belli* are conducted in the open.

A special department within the Albanian Ministry of the Interior is in charge of collecting "frontier violations" to be used as a pretext for whatever action will be deemed appropriate against Yugoslavia. One dossier contains evidence of 46 frontier violations between July 27, 1948, and January 17, 1949. The one regarded as the most serious is said to have taken place on January 5, and involved an actual invasion of Albanian territory by Yugoslav troops in the vicinity of Terbish.

In addition to frontier violations, the Albanians claim that Yugoslav aircraft have flown over Albanian territory on reconnaissance missions on 17 occasions in recent weeks. An especially serious view is taken of the violation of the immunity of the Albanian mission in Belgrade which led to the detention of the Albanian press attaché, whom the Yugoslav secret police claimed was an undercover agent.

The tension is kept at boiling point, with new incidents recorded every day so that the showdown may be provoked at a moment's notice.

BELGRADE: Yugoslavia, maintaining 800,000 officers and men in her armed forces despite the serious economic condition of the country, depends on the rugged terrain as an overwhelming ally. The Yugoslavs appear confident they can withstand Cominform military intervention as long as the USSR, continuing its present policy, refrains from active participation in the anti-Tito military front.

2 WASHINGTON

The Pentagon was taken aback recently by a tart sentence in the official report of one US general on an inspection trip to MacArthur's Japan. "I regret to say," the general wrote, "that the Supreme Commander is no longer interested in the democratization of Japan."

The report freely discussed General MacArthur's chosen alternative. He has ceased his initial opposition to the Zaibatsu and Gumbatsu—the Big Business-Army alliance—and is now inclined to allow the return of at least some power to the staunchest supporters of Nipponese imperialism. He looks on them, rather than the middle and lower classes, as the most effective allies of the West in Japan.

TOKYO: The new MacArthur policy is defensive in all its aspects. It contains nothing that may even remotely be described as an aggressive design aimed at the Soviet Union, or any other power. It is all the more persuasive because it has been prefaced by a number of predictions in which MacArthur proved invariably right —including the crucial forecast that Chiang Kai-shek's China would succumb to the Communists who would thus extend their domination to the edge of Far Eastern waters.

The MacArthur Plan envisages containment of the USSR and Bolshevism in the Far Eastern area somewhat in the manner of the familiar Kennan Plan of the State Department designed for the far east of Europe, Greece and Turkey.

The MacArthur Plan frankly deprecates China's role in this effort. It assigns the major strategic and tactical tasks to a militarily strong and politically stable Japan.

The MacArthur Plan has had a limited circulation but won widespread support in official Washington. Its eloquently anti-Chinese tone was at least partly responsible for the White House-State Department decision to withhold further aid from Chiang's China. Even the disillusioned general whose rueful report caused whispers and headshakings here now concedes that the original reorientation plan Washington designed for Japan no longer fits the changed circumstances.

WASHINGTON: Excitement over the pro-Soviet spy ring in pre-war Tokyo points up the total absence of a similar American organization at the time of Pearl Harbor. At no time during the war did the belligerent Allies succeed in building up a truly useful espionage organization inside Japan.

Those who have seen the manuscript of a forthcoming book by Col. Sidney F. Mashbir blame G-2 brass for this critical deficiency. In the first half of the 20's, "Sid" Mashbir, then starting his career as an expert on Japan, proposed the establishment of a secret service organization inside Japan in preparation against future emergencies. It was turned down by his immediate superiors in Tokyo and then pigeonholed in Washington.

Publication of the 32,000-word MacArthur report on the Sorge case was sponsored by the chief of intelligence on General MacArthur's Tokyo staff, Maj. Gen. Charles A. Willoughby. General Willoughby is one of the US Army's most colorful generals. Member of a Junker family, he was born Baron Karl von Tscheppe-Weidenbach 57 years ago in Heidelberg. He took his mother's maiden name Willoughby, upon his naturalization, in 1910.

3 GUATEMALA CITY:

When the worried *Chapino* of Guatemala tunes his radio to the powerful Dominican transmitter of Ciudad Trujillo, he hears: "There isn't the slightest doubt that the noble *Guatemaltecos* unanimously repudiate the policies of the Communist Juan Jose Arevalo Bermejo who is acting under orders from Moscow."

In newspapers reaching him from San Salvador he sees his President described as "a coward and the hireling of Moscow."

The Nicaraguan radio fulminates against "the Communist bandit Carib-

bean Legion, kept in Belize by the criminal Arevalo."

Similar invective and abuse is hurled at President Arevalo also from Honduras, Costa Rica, Panama. It is known that General Trujillo has already picked Arevalo's successor in the person of 86 year old Dr. Carlos Salazar Argumedo. He is waiting in San Salvador to carry out the task of *Gleichschaltung* in non-conformist Guatemala.

But Arevalo—philosopher, pedagog, writer—stands firm. To US visitors he points out that the external attacks against his regime strangely coincided with his decision to invoke the Labor Code and force higher wages. Arevalo's most effective counter-move to date is the amalgamation of all trade unions in a federation committed to joint political action. The Federation's first proclamation pledged resistance to "foreign exploiters who have a coordinated plan for the economic and political domination of Guatemala."

4 COPENHAGEN:

On the eve of his departure for the US to negotiate the terms of Norway's adherence to the North Atlantic pact, Foreign Minister Halvard M. Lange approved a deal with Denmark. He agreed to transfer six batteries of 88mm anti-aircraft guns from the surplus arsenal left behind by the Nazis, in exchange for a number of 38 cm heavy fortress guns the Danes inherited from the same conquerors.

According to Danish observers, the exchange would enable both countries to mount a more effective defense of the Skagerrak. But this is denied by Norway's Defense Minister, youthful Jens Hauge. Said he: "The exchange is not connected with the Nordic defense negotiations nor with any plans for the defense of the Skagerrak."

It may be, then, that the heavy fortress guns are needed to restore Norway's arctic network of fortifications to full efficiency. (For a comprehensive report on this network, see "Norway's Ace-in-the-hole," page 17 in this issue.)

While Norway may have sufficient guns to reactivate this deterrent military installation, it is questioned in international military circles whether she has enough men to garrison all the forts. The Germans maintained 400,000 officers and men in the 357 forts of the network, approximately 10 times the strength of the entire Norwegian army.

5 OSLO:

Dr. Lange's Washington trip climaxed a series of diplomatic disappointments with US diplomacy. The feeling is widespread here that the State Department fails to appreciate Norway or treat her as a grown-up ally. This became evident to Dr. Lange during the few conferences he held with General Marshall in Paris last fall. It was further established when John Foster Dulles, on the eve of the presidential elections, paid a flying visit to Stockholm but skipped Oslo. It gained acceptance during Dr. Lange's Washington conferences—most of which were conducted on levels far below that of the Secretary of State. Lange was made to realize that in the US, preliminary decisions of eventual policies are made on career-diplomatic levels which are in no way bound by responsibilities of ultimate policy-making. It is felt here that Lange's statement that his conferences were "satisfactory," was made with his diplomatic tongue in cheek.

It was on short range commitments rather than on long range assurances that Dr. Lange felt somewhat disappointed during his trip to Washington. With an unanswered Soviet diplomatic note waiting for him in Oslo, Lange of course hoped to gain something immediately tangible.

The Norwegian people, determined not to be caught friendless again, exert considerable pressure on their government to carve out for them a firm place in a power alignment that is in line with their determined pro-Western orientation. This centrifugal political drive is contrasted by a centripetal force in Sweden.

WASHINGTON: Both US and Norwegian circles in this capital emphasize that Dr. Lange has gained from his trip all that was gainable under the circumstances. While the charge raised in London that his trip was "distinctly premature" is waved aside, it is admitted that its timing was not quite propitious. At the time of his visit, the question of the Atlantic Pact had not yet been surveyed in all its aspects in conferences between the State Department and Congress. It is further emphasized that the US government can make no binding commitments on measures of this gravity while the issue is still handled almost exclusively by the executive branch of the government.

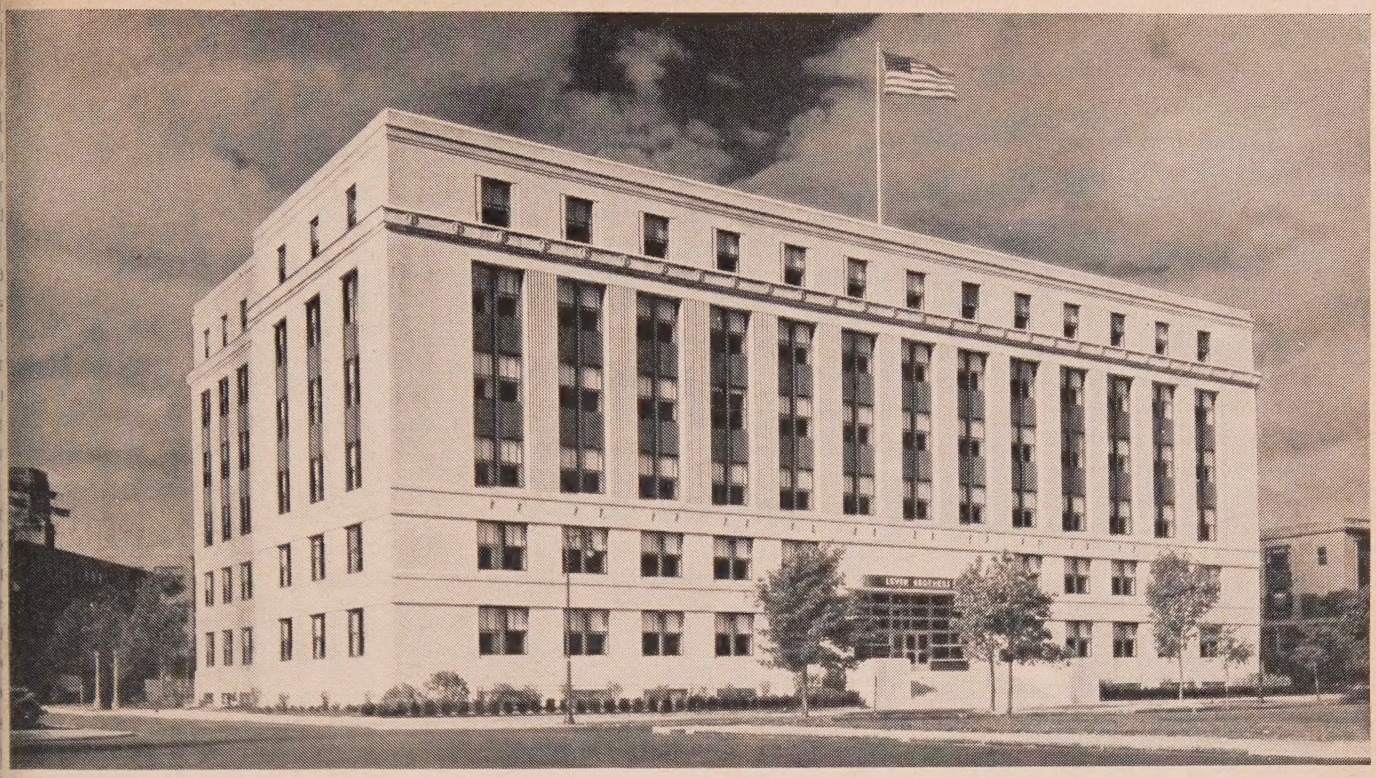
Congressional concurrence in the whole program is essential to make the executive plans of the US government a policy of the United States. This, UNW is told, was pointed out to Dr. Lange who fully understood the problems confronting Mr. Acheson. But in friendly words he also pointed out that his understanding for Mr. Acheson's problems does not by any means solve or diminish his own.

6 MIDDLE EAST:

AMMAN: King Abdullah of Transjordan is seeking admission to the United Nations for his British-made kingdom. Abdullah's discrete diplomatic delegate, Samir Pasha al-Rifai, in Washington recently made contact with Soviet circles trying to obtain Russian support, including recognition, in exchange for some treaty arrangements between the Hashimite kingdom and the USSR.

ADEN: British RAF planes are dropping food and other supplies to the famine-stricken population of picturesque Hadhramaut, a medieval Arab emirate hard-hit by unprecedented drought and the complete failure of the fishing season in the Red Sea. The fishermen of the Hadhramaut, in their dhows and Zambuqs, with their ferocious figure-heads and home-made suits remind one of biblical scenes on the Sea of Galilee.

The emirate, a British protectorate, is as hard-hit by events in India as by the drought at home. The ruler, His Highness Sultan Sir Sallih Bin Ghalib al Q'Aiti, is the nephew of the Nizam of Hyderabad, from whose immense fortune he used to fill his coffers. Having lost this rev-



Lever Brothers Company

CAMBRIDGE · MASSACHUSETTS

Makers of fine products

enue, he plans to refurbish it from some concession funds he expects to gain from the omnipresent oil now being discovered throughout Arabia.

JERUSALEM: The disappearance of the priceless and legendary emerald from the Mosque of Omar, one of the holiest shrines of Islam, is the sensation of the Middle East. It was taken by one of its keepers upon instructions of the ex-Mufti of Jerusalem who planned to finance the war by selling it. King Abdullah, who regards himself as the supreme ruler over the Temple of the Rock, demands the immediate return of the missing treasure.

CAIRO: Egypt is building a permanent line of fortifications along the Egyptian-Palestinian frontier. It is made up of a series of connected underground shelters, bunkers, artillery positions, tank traps, machine-gun posts—the whole network patterned after a combination of the Siegfried and Maginot Lines. Already, though it is far from complete, Egyptian army officers sipping Araq Tom Collinses on the terrace of the Shepherd's Hotel confidently refer to it as "our impregnable King Farouk Line."

7 BELGRADE:

To a trusted visitor from the West, Marshal Josip Broz Tito recalled the memory of Wendell Willkie and bemoaned the failure of his political philosophy. "Far from One World," he said, "we actually have three." Then to his startled friend he explained: "The East, the West—and Yugoslavia."

PRAGUE: The Czechoslovak Government has solved a ticklish domestic problem—what category of ration card to give the President of the Republic Klement Gottwald. The main distinction in the allotment of ration cards is between productive and non-productive elements. When rationing norms were established under President Benes, the President was simply left out of the productive category. The solution which has happily been found will give Mr. Gottwald Ration Card No. 1, not as President of the Republic, but as a member of the Union of Writers, and so in the productive category.

8 SPOTLIGHT:

LATIN AMERICA: Rules, design to exclude "undesirable element from Argentina, will be strictly e forced by the new Immigration D partment created by presidential d cree in Buenos Aires . . . The a nouncement that Brazil intends dump its stockpile of coffee on t international market caused a slun on the New York coffee exchan and serious unrest in Santos and Sa Paulo . . . Ex-Presidents Galegos an Betancourt of Venezuela will a nounce the formation of Lat America's first full-fledged gover ment-in-exile from their Havan haven in April . . . El Salvador h decided to remove all restrictions o the import and use of steel . . Uruguay has released $4,000,00 from her blocked pound sterling a count to pay for imports fro Sweden . . . Both Colombia and A gentina are plagued by smuggler The Colombian contraband consis of cattle, cheese and seed. Argenti smugglers concentrate on arms . .

Picture Credits:

Cover: Grace Line; Page 12: Wide World; Page 14: Wide World; Page 18: Ollin; Pages 20 through 23: Norweigian Official Photo; Ollin; Pages 26, 27, 28: Australian News and Information Bureau; Pages 32, 33, 34: Swedish Travel & Information Bureau; Page 43: Brazilian National Steel Co.; Pages 46, 47: William Burton Larsen; Brazilian Government Trade Bureau; Page 51: National Cash Register Co.; Pages 56, 58, 60, 61: UN Official Photo.

YOUR *Magic Doorway*

TO EUROPE, AFRICA,

THE NEAR AND FAR EAST

Does business, study, or pleasure call you abroad? Whatever your reason, Air France enables you to travel speedily to 70 far-flung nations . . . for its world-wide network joins together five great continents. And once within your Air France Comet you'll enjoy a rare experience . . . the warm hospitality, thoughtful courtesy, fine food, vintage wines or champagne of France itself . . . the comfort of above-the-weather flying in luxurious, newest-type Constellations.

When you go . . . GO

AIR FRANCE

30 YEARS OF OVERWATER FLYING

DAILY FLIGHTS FROM NEW YORK . . . "Golden Comet" extra fare, all-sleeper flight every Friday. One flight weekly from Boston. Apply to your TRAVEL AGENT or your nearest Air France Office, 683 Fifth Ave., New York 22; 415 Boylston St., Boston 16; 1627 "K" St., N.W., Washington, D. C.; 37 S. Wabash Ave., Chicago 3; Esperson Building, Houston; 510 W. 6th St., Los Angeles 14; 210 Post St., San Francisco 8.

More Oil...

You wanted it...
You got it...
You'll get still more!

LAST YEAR this country used a lot more oil than ever before. Oil and progress go together.

To help get you more oil, this company and its affiliates last year did the biggest job in their history. Plants and equipment had to be modernized and expanded in a hurry...new wells, refineries, tankers, pipelines—all the things it takes to get you more oil.

This big job could not have been done unless a sound business existed. It took organization. It took money—lots of it—about 100 million dollars more, in fact, than the entire year's earnings. It used up funds set aside for replacing worn-out equipment. It dipped heavily into savings. It took borrowed money, and money raised by selling assets.

Money made on the job went back into the job.

In 1949, and in the years to come, you'll want still more oil. And you'll get it. At home and abroad, money is being spent today to provide for tomorrow's needs.

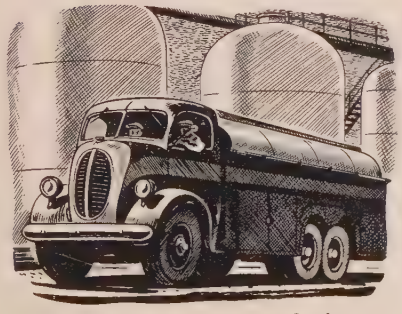
The better you live, the more oil you use...

FOR STILL MORE OIL, WE'RE...

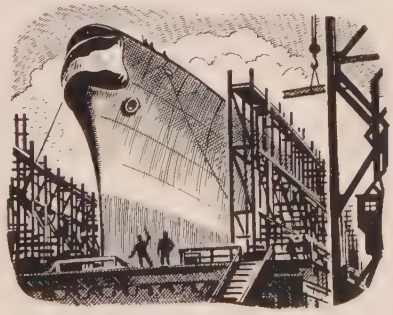
Pushing new exploration . . .

Constructing refineries . . .

Drilling deeper. . .



Adding storage and transport facilities . . .



Building tankers and pipelines . . .

Expanding research facilities . .

STANDARD OIL COMPANY (NEW JERSEY)

UN WORLD ANNOUNCES MARSHALL PLAN TOURS

In its February issue, UNITED NATIONS WORLD Magazine announced plans for the formation of a non-profit organization to promote educational travel. UNITED NATIONS WORLD Magazine is now pleased to announce inauguration of the first UNITED NATIONS WORLD Marshall Plan Tours, starting May 14 and May 24.

The rapid recovery of Western Europe makes it possible to greet visitors with a greater abundance of fine food and fine living than at any time since the war. Hotel accommodations, cuisine, entertainment are at their traditional, most gracious best.

The end of May also marks the beginning of "the season" in Europe. Day after day new and exciting plays are produced in the theaters; the art galleries exhibit masterpieces of ancient and modern art; sports events fill the arenas and stadiums. The true Europe: a happy combination of cultural appreciation and of the spirit of gaiety is again emerging out of the tragedies of the past years.

Due to the Marshall Plan, the industries of Europe are again producing marvelous wares. The shop windows exhibit the latest triumphs in fashion, in jewelry, in glassware and other handicrafts. The favorable rate of dollar exchange permits the American visitor, even of modest means, to buy these luxury articles at bargain prices.

Participants of the UNITED NATIONS WORLD Tours will be privileged in many respects. These tours will be co-ordinated with the program of the European Travel Commission to foster travel under the Marshall Plan. Special receptions and participation at UN meetings will be arranged to enable the travelers to acquire first-hand information on current political and international affairs.

FOR DETAILS
SEE PAGE 1
USE COUPON ON PAGE 36

THE INTERAMERICAN SUMMER SCHOOL
Saltillo, Mexico
6th Session, July 3-August 11
Spanish Conversation with PRIVATE tutors, three hours daily. Formalized classes. Activities. M. A. Degree. All Mexican faculty; Incorporated Dept. of University Studies, Mexico. G. I. approved. Lodging private homes. Bulletin.
DONALD M. CUSTER
Lock Box 413 Salida, Colorado

State of the World *continued*

March Analysis:

THE COLD WAR is entering into a new phase. During 1948 fear of grave incidents which could result in a shooting war centered around the *Berlin blockade and airlift, the Greek situation, possible international complications arising out of the Palestine imbroglio, the India-Pakistan conflict over Kashmir, the explosive situation in Korea.*

Today Berlin, Greece and Korea are chronic ills. They have lost their emergency character. The Palestine conflict and that over Kashmir are in the process of being rendered non-explosive. Sudden large-scale military action is now discounted.

However, none of the basic reasons for the East-West conflict has disappeared. The cold war continues, but without the anxiety of 1948.

It has entered into a new phase in which regional defense systems and alliances become the bases for ideological and economic offensives and counter-offensives. One top-ranking UNW source describes this stage of the cold war as "the phase of global diplomacy."

Global diplomacy may be defined as: *The maximum and constant use of all diplomatic, military, economic, ideological, cultural, moral—and personal—pressures to weaken the opponent and to prevent any further expansion on his part.*

In this contest the West holds six advantages:

1. The decision to form a North Atlantic pact, with Great Britain, France, Belgium, Luxembourg, Canada and the US as the initial group, is exerting a strong attraction on most non-communist powers in Europe, particularly small but strategic Norway.

2. The substantial progress achieved in European reconstruction through Marshall Plan aid.

3. The almost complete break between communists on the one hand and socialists, democrats, independent trade unionists, and Christian democrats on the other hand.

4. The element of personal fea which all non-communist politic leaders experience as they see wh happened, and what is happening, t non-communists in East Europe.

5. The maintenance of an ove whelming majority on vital votes i all UN councils.

6. The practical impossibility fo Communist Parties to attract an large support from non-Communists

Less crucial but potentially impor tant are the increasing hostility be tween Yugoslavia and the Cominforn bloc; the continued success of th Berlin airlift; the formation of th Asian block around non-Communis Nehru; and the vast religious move ment arising against the USSR.

Countering these are six Soviet advantages:

1. The Soviet bloc is a closely kni unit and represents the most powerfu military force in Europe.

2. The prestige of the prodigious Communist victories in China.

3. The vast independence movements in colonial areas in Asia and Africa.

4. The continuing misery in great parts of the world.

5. Widespread disapproval of co-operation between Western leadership and extreme rightists.

6. The genuine desire for peace—even an uneasy peace—by the overwhelming majority of mankind.

Less important advantages, but of great value, are the effective control of Eastern Germany, the still considerable appeal of communism as an ideal, the internal divisions of the Western bloc, the effectiveness of the Cominform, the Soviet concept of racial equality, and, above all, the promptness with which the whole Soviet apparatus can adapt itself to changes on the international scene.

"UNITED NATIONS OF THE AIR"

A successful experiment in international teamwork, the worldwide Scandinavian Airlines System was created two years ago by the airlines of Denmark, Norway and Sweden.

Since then, SAS has carried over a million revenue passengers . . . over 40 million pounds of mail . . . and over 35 million pounds of cargo . . . linking 68 important cities on five continents.

The three crowned shields with the cross and colors of the Scandinavian nations in the SAS insignia symbolize an earnest attempt to forge the worldwide unity of peoples.

With DC-6 service between Great Britain, Scandinavia and the United States and interline connections with principal U. S. domestic airlines, SAS provides swift, dependable travel facilities to key cities in the United States, South America, Europe, Africa and the Near and Far East. Sleeper service only $45 extra. *See your travel agent now.*

SCANDINAVIAN AIRLINES SYSTEM

New York—47 E. 46th Street, CIrcle 6-4000

Chicago—37 S. Wabash Avenue, RAndolph 6-6984

Minneapolis—1110 Rand Tower, LIncoln 4735 and NEstor 6911

Seattle—5527 White Henry Stuart Building, SEneca 6250

Los Angeles—108 W. Sixth Street, TUcker 3739

An exclusive interview with the top man in Western Germany

General Clay

Explains his policy

CLAY—LEAN JAW, DEEP-SET EYES

HE SEES HIS JOB

AS CREATION OF A SELF-SUSTAINING GERMANY

HE PLANS TO DO THAT JOB

AS A SOLDIER—NOT A DIPLOMAT

■ General Clay flew from Berlin to Frankfurt—the probable capital of Western Germany—to give this interview to UNWORLD. The statements he made are obviously intended not only for America but for the world.

BY CURT L. HEYMANN

FRANKFURT-AM-MAIN: General Clay received me in his private office, where he seems more at ease than in his Berlin quarters. A palatial room, with paneled walls, large bay windows on three sides, a deep red carpet and a huge mahogany desk, it is an appropriate setting for a supreme commander. A large highly-polished metal plate, engraved "Gen. L. D. Clay," with four stars above the name, stands in front of the desk.

In this impressive environment, the General achieves a paradoxical air of informality. A Southerner from Georgia, he gives the immediate impression that he is at your disposal.

At 52, this slender, dark-eyed, gray-haired, sharp-featured American is engaged in one of the greatest administration jobs in the world. He waited long for his talent to find an outlet. He was still a Captain in 1939. In the early stages of the war, when he was a colonel, James F. Byrnes said of him: "He could run either General Motors or General Eisenhower's armies."

One newsman describes Clay as "a walking information desk." He speaks slowly, with emphasis. He is both outspoken and extremely self-conscious. If he doesn't care to answer a question he says so. While he talks he smokes constantly (two or three packs of cigarets a day); leans back in his armchair, leans forward for a closer scrutiny of his caller; puts on his steel-framed glasses to read a statement or quotation.

Newsmen praise him for his extraordinary initiative. But they also have sharply criticized him and his organization. The chief complaint has been that—through Clay—the Army and not the State Department determines US policy toward Germany. To General Clay, as an Army man, it is perfectly clear to whom he is responsible. When I mentioned these attacks, he answered bruskly:

"I'm a soldier. I've been assigned by the Department of the Army which gets its political guidance from the Secretary of State. I have no direct relation with the State Department which, for this purpose, has furnished my administration with a political adviser."

Asked whether he anticipated any change in his relations with the State Department under Dean Acheson, he repeated that he has "simply no direct relation with the Secretary of State." He flatly denied any knowledge of a reported Army request to President Truman that the State Department take over the job of administrating occupied Germany.

Our discussion turned to the complex question of the creation of a Western Germany as a bulwark against Communism, a process that indicates early return of political power and responsibility to the Germans. General Clay pointed out that his task was to create a self-sustaining Germany under a respectable

German government with adequate security controls.

"It will be done as early as possible for as great a part of Germany as possible," he declared.

When I suggested that France and Britain were afraid of a Germany freed of Allied control, the General replied:

"They agreed—in London—to establish West Germany as early as possible."

General Clay adheres to the policy that the German economy is a fundamental part of the economies of Western Europe and that Germany's reconstruction should, therefore, be co-ordinated into theirs. I asked him whether he had changed his economic strategy in view of the American-British-French agreement to restore the coal-and-steel economy of the Ruhr under three-power control. He answered:

"West Germany is included in the Marshall aid program because it is realized that a bankrupt German economy would be a drag on West Europe. This economic unification is necessary to restore normal trade conditions. The Ruhr agreement simply prevents a rebuilt Ruhr from being used as an arsenal for German rearmament or as a tool for economic aggression."

I mentioned that the American decartelization policy was being bitterly fought over and that he had been widely attacked, and accused of disregarding the directive to break up cartels and cartel-like organizations. He denied the charge firmly.

"All German cartels have been broken up," he said. "IG Farben no longer exists and the greatest steel and coal concerns have been dissolved. There have been instances that, in our opinion, did not constitute cartels. If you break up large industries into small ones there will always be a difference of opinion as to number and size and as to which ones should be resolved. We estimate that we definitely broke up the most dangerous ones."

"How far and to what extent," I asked, "has MG obtained co-operation of German labor and fostered the American principle of free enterprise? Have the German people been given an opportunity to learn the principles and advantages of free enterprise?"

Clay replied: "We have encouraged formation of trade unions and federations and we have supported collective bargaining. We recognize the right of the German people to determine their own pattern. We do not think this can or should be done till there is a German government responsible to the German people—a government that can make these determinations under democratic procedure and insure the desire of the majority of the people."

There are today strong indications of the emergence of nationalist tendencies in West Germany. I referred General Clay to his recent report which stated: . . . *"The Germany which the Western Allies are rebuilding now is one whose reliability in any political combination will be questionable."* If that is correct, I said, how did the General explain this German reversal—the rebirth of the "superman" concept? Clay took a close look at the quotation of his own report, leaned back and said slowly:

"There are two kinds of nationalism and they shouldn't be used loosely. Nationalism which is the expression of the desire of a patriotic German to have a government of his own is understandable and is NOT unhealthy.

"We must not confuse this with what we too-loosely label 'nationalism'—the desire to recreate a powerful central government which will be able to wield German resources for aggressive purposes and which would be able to overrule the wishes of the majority.

"There's some indication of the latter type in the so-called Strasser movement. [Otto Strasser, a one time Nazi, has been denied permission to leave Canada for Germany.] It is small and exists at present only at local levels. If it grew it would become dangerous. However, we must expect such movements to develop. If they do, we hope they will be destroyed by Military Government."

"In view of these tendencies, proven or not, do you believe Germany sufficiently democratic-minded so that it can govern itself on the basis of a new Constitution that is being worked out in Bonn?" I asked. He lit a new cigaret, took a long puff and said with consideration:

"I believe that Bonn will give the Germans the necessary democratic processes. But, until Germany has its own government, responsible to its people, the Germans cannot be expected to understand the power that rests in their hands. I have every hope that, under a democratic constitution, they will learn the value of their own power and in doing so will be prepared to see that it is never again taken away from them. Whether this can be achieved—only time can tell."

I tried to get General Clay's reaction to Premier Stalin's newspaper-interview approaches to President Truman. But, he said with a smile, it was none of his business to comment on what the head of another government had to say.

Then, in serious mood again, he added:

"Here in Germany it has always been our policy in meeting with the Russians to seek to reach an agreement and we have always been willing to make compromises to this end. Unfortunately, we found in the past that we were expected to do all the compromising."

Is the air lift continuing?

"It *is* continuing," Clay replied, "and my government has no intention whatever of discontinuing it till the Berlin problem is solved."

Is it worth the price, both in dollars and cents as well as in prestige?

"You can't measure the value of goods to people who would otherwise be forced to submit to a political philosophy or be starved."

Could the General say what has been the real obstacle to reaching an agreement with the Russians on the lifting of the Berlin blockade?

"It has been the unwillingness of the Russians to lift the blockade unless the Allies gave up entirely their voice in the financial and economic government of Berlin. . . . We would have become guests rather than participating members of an allied government."

I asked General Clay a final question: What in his opinion are the chances for a definite solution? The man Berlin's recurring crises had left resolute and unruffled rose from behind this desk, crossed his arms over his chest, paced the floor and spoke slowly:

"That's not so simple to answer. You can't solve all problems in one package. But, with the return of political and economic stability, the problems are decreasing; in time the last problem could cease to be."

"I believe that it will be possible to have a stable world."

1944—Forrestal smiles as he is notified of his appointment as Navy Secretary.

IWO JIMA'S BEACH SLIPPERY WITH BLOOD

CONVERTED HIS INTELLECTUAL SCORN OF WAR

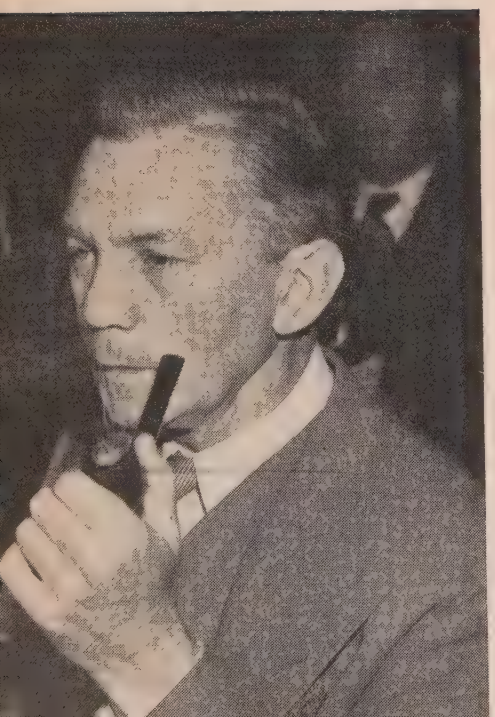
INTO A DEEP SEATED HATRED SO INTENSE

HE EMBRACES "TOUGHNESS" AS A METHOD OF PEACE.

The Forrestal Enigma

Inside Report on a Philosophy of Power

BY REAR ADMIRAL ELLIS M. ZACHARIAS, USN (Ret.)
Wartime Deputy Chief, Office of Naval Intelligence



1948—Now Secretary of Defense, a grim Forrestal testifies at a Senate hearing.

ONE of the most powerful experiences in the life of James Forrestal, an experience whose impact has shaped his political outlook ever since, occurred on February 26, 1945. On that day, from the deck of a command ship of the US Navy, in the company of Lt.-Gen. Holland Smith of the Marines, he watched the climax of the battle of Iwo Jima. Wearing a steel helmet and the combat garb of a Marine private, he watched with his own eyes young Americans die by the hundreds despite the most painstaking material preparations and determination to cut human losses to a minimum.

When—a week or so later—he returned to the United States, James Forrestal spoke of his "tremendous admiration and reverence for the guy who walks up beaches and takes enemy positions with a rifle, grenade, or his bare hands." Concealed behind these words spoken for the record was an off-the-record psychological drama—the development of a new, hard core in a man's soul.

James Forrestal had always scorned war with the groping peace-mindedness of the average American. He held with James Thomson that war is man's corruption and disgrace. In the bloody battle for Iwo, his civilized dislike of war suddenly hardened into hatred. After this brutal shock, his mind was not again to be free of its effect. It even left physical marks

on him: a new brassy petulance in his eyes, deeper furrows on his brow, a forced jut to his chin, a tough, grim, gritty look to his face. Photographs of Forrestal before and after his Iwo experience are surprisingly revealing. I do not think any taken since has shown James Forrestal truly smiling.

However powerful the experience, Iwo did not turn Forrestal into a pacifist. He is far too realistic to adopt such an overcharged emotional response even under immense provocation. He knew that in the modern world, conflicts are inevitable consequences of competition among nations. From his preoccupation with the great commentators on power, Hegel, Russel, Seilliere, Marx, Hobbes and Plato, he knew that war is usually the answer to what E. M. Winslow later so aptly called "the search for a formula." But, with the means available to him as Secretary of the Navy, he determined to look deeper into the question and broaden his search for answers more adequate to his own quandary as a man of peace.

The outcome of this search was a philosophy of power—a philosophy which today alone explains the Forrestal enigma.

I had a modest, passive share in the evolution of this new philosophy. Immediately after his return from Iwo, Mr. Forrestal drew me into a conversation during a stopover in San Diego. A few days later he sent for me. In Washington I was assigned to his office and charged with a special mission—to help accelerate the return of peace by the fullest exploitation of non-military means, such as psychological and political warfare.

"We cannot go from Iwo to Iwo," he told me with a hint of his recent experience in his voice. "We must find a formula to gain peace without this frightful bloodshed."

From that time onward I was engaged in directing the Navy's Psychological warfare section and in preparing and making Japanese-language broadcasts in which the enemy was dissuaded against continued resistance and urged to make an honorable surrender.

Those who were close to Forrestal in those winter and spring days of 1945 found him somewhat moody, fretful, with a quiet, deep-buried wrath burning within him. It was obvious that he was groping for answers. When, a few months later he found the solution to his great dilemma of a man who, hating war, must nonetheless bend every effort to it, his solution turned out to be far from original. The hypothesis had a long tradition in American history. It was first expressed by George Washington in 1790, but even he had borrowed the thought from Vegetius and Horace: "To be prepared for war is one of the most effectual means of preserving peace."

Today in the office of James Forrestal in the Pentagon, there is a printed card in a narrow black frame, proclaiming his present policy and philosophy in the determined words of C. H. Van Tyne: "*We will never have universal peace until the strongest army and the strongest navy are in the hands of the most peaceful nation.*"

Iwo was really only a catalyst in Mr. Forrestal's formalization of this idea. His long study of power had much earlier presented him with the intellectual challenge to evolve his own philosophy, to base it on a firm theoretical foundation and provide for it a sound scientific scaffolding.

The history of this intellectual evolution can be traced back to some time after the fall of France. Forrestal, then Under-Secretary of the Navy, was almost completely occupied with procurement problems.

His evenings and nights were devoted to a new interest—geo-politics. A close personal friend wrote the first book in the US on General Haushofer's ambiguous theories, and Forrestal was led by it to study this science further. From Haushofer, he went back to the original Mackinder and the Kjellen schools of geo-politics. But he failed to find answers to the questions his mind was constantly and impatiently posing. He concluded that neither German, British nor Swedish geo-political theories were adaptable to American problems. A functional, realistic, common sense, democratic American geo-politics would, he felt, have to be created from scratch rather than developed from alien prototypes.

At that point, in 1943-44, he turned to his Alma Mater, Princeton University, and invited some of its outstanding political scientists and historians to Washington. They were told the problem and given the fullest academic freedom to develop the system according to their own beliefs.

I think the story of this great political scientific project is told here in full for the first time. It was originally tested at six universities in the Navy's V-12 Program. The experimental phase concluded, it became a regular feature on the curriculum of the Naval Reserve Officer Training Program.

It was then called "Course in World Affairs." Its curriculum was developed by Prof. Edward Mead Earle of the Institute for Advanced Study at Princeton, in co-operation with Prof. Harold Sprout of Princeton. It was given at the University of California by Prof. Robert J. Kerner; at the University of North Carolina by Prof. Samuel T. Emory; at Northwestern University by William A. Bryan; at the University of Pennsylvania by Prof. Robert Strausz-Hupé; at Princeton by Dr. Sprout, Professor John Schroth and Dr. William Fletcher, and at Yale by Prof. Arnold Wolfers.

The curriculum was divided into five parts. The first part dealt with "certain fundamental conditions and factors which have shaped the course of international relations through the centuries." The second, third and fourth parts presented "the pattern of international relations and the major political forces at work in each of the three great geographical regions or realms." Part five dealt with two topical problems of the day—"the terms of peace for the enemy states and the basis of a workable international organization to keep the peace and provide security, and a sense of security, for all nations."

The first permanent product of the project was a Syllabus containing the basic rules of the new system in a sharp, concise, popular form. Later the individual ideas of Mr. Forrestal's scientific advisers were elaborated and published in the book *Foundations of National Power.*

Once the system was complete, Mr. Forrestal sought to share this discovery with men just below his own level: the top ranking admirals of the Navy. The flag officers were called into seminars and had to listen to "a bunch of college professors." But it was hard-headed, realistic training. Typical of its theme is this extract from Carl Becker's then-current book, *How New Will the Better World Be?* One of the texts:

"The simple fact is that politics is

inseparable from power. States and governments exist to exert power, for the maintenance of order, the administration of justice, the defense of the community against aggression—in theory always and solely for these good ends. But the power, much or little, is always there, and will be used for some end, good, bad, or indifferent. . . . Even those who deplore great political power because it is inherently dangerous . . . recognize that a 'new and better world' cannot be made without it."

The popularization of this thesis on the eve of America's greatest moment in history, among men who were to be responsible for that moment, may, I believe, be recorded as a major achievement of Forrestal.

Underlying Mr. Forrestal's decision to educate the nation's top ranking naval officers in the elements of national power, was his conviction that only through a proper understanding of the theoretical foundations of power could these men fill their new role as representatives of the most powerful nation in the world.

The project was completed some time before Mr. Forrestal went to the Pacific in the late winter of 1945. It stands today as the only American effort at coming to grips intellectually with the major dilemma of the postwar United States: the *use of power* commensurate with the country's international responsibilities.

It is a truism that the desire for power, in the words of Thomas Hobbes "is a general inclination of all mankind, a perpetual and restless desire of Power after power, that ceaseth only in Death."

The central idea of James Forrestal's political philosophy today is a far more intricate development of this power principle. In his position as Secretary of Defense, he has many opportunities to apply his theories.

Probably the first such demonstration came on July 21, 1945, in a letter to Sen. Tom Connally, then as today Chairman of the Senate Foreign Relations Committee, expressing determination to keep the strategic islands wrested from Japan during the war. This policy, in direct contradiction to Mr. Truman's moralistic declaration in Potsdam, later became the cornerstone of the United States policy within the United Nations.

Forrestal again was motivated by his new philosophy of power when, less than two weeks after V-J Day, he called for a naval force consisting of 400 warships and 8,000 aircraft.

But Forrestal's philosophy was never more clearly demonstrated than on September 30, 1946. Employing the old moralistic approach to American interests abroad, the maintenance of US naval forces in the Mediterranean was attacked by Congressmen, the press and a considerable portion of the articulate public. Forrestal's answer documented once and for all his philosophy of power:

"Today the US Navy is continuing to maintain forces in the eastern Atlantic and the Mediterranean Sea for the following specific purposes:

"First, to support the Allied occupation forces and the Allied Military Government in the discharge of their responsibilities to the occupied areas of Europe.

"Second, to protect US interests and support US policies in the area.

The brutal realities of power are still glossed over by the diplomatic moralists of Washington. Some of the diplomatic lip service paid to the United Nations on festive occasions is far less useful to the international organization than the critical words with which Mr. Forrestal occasionally castigates it.

It is not generally known that President Roosevelt, toward the end of his life, had come to convictions similar to those which induced Forrestal to embark upon his power studies. In conversations with intimates during his last days, the late President said that, after the war, the United States would have to measure up to its international obligations and would therefore have to think in terms of *power politics* rather than in terms of what he called "the *welfare politics* advocated by Henry Wallace."

Roosevelt was not granted time either to elaborate upon or share with the nation his new philosophy of power. Therefore, Forrestal's unpublicized, and I believe largely still unknown, power project gains added significance as our most realistic guide to America's role in the world today.

What's behin

Arctic Scoop

By Ladislas Farago

UNW's Senior Editor

Norway's Ace in the Hole

e Atlantic Union Argument

■ Last fall, after having scored a major scoop on the historic events in China, UNITED NATIONS WORLD magazine received exclusive information that Scandinavia, particularly Norway, would soon play a vital role in world strategy. Senior Editor Ladislas Farago flew to Stockholm and Oslo for top-level conversations with Scandinavian statesmen. From there he proceeded, with the last flight of the winter, to the Arctic Ocean where East and West meet at the Russo-Norwegian border, and on to Spitsbergen.

■ Mr. Farago's first report appeared in the December issue of UNW. Now that the projected North Atlantic Union has given Norway pivotal importance, Mr. Farago tells what is behind America's initiative, Russia's concern and Norway's jumpiness—control of the strategic ship-lanes to Murmansk. The only foreign correspondent to have covered the incipient Scandinavian crisis on the spot, Ladislas Farago explains in this article the strategic significance of Norway's fortress-pitted North Cape.

NORWAY'S 'UNKNOWN' ARCTIC GIBRALTAR AT TRONDENES

Norway's Ace in the Hole

FROM A NORTH CAPE GUN PORT

INVISIBLE CANNON—INCLUDING THE WORLD'S LARGEST COASTAL BATTERIES—COMMAND THE DEEP AND ROCKY FJORDS

HERE ARE LAIRS FOR SUBMARINE FLEETS, HIDING PLACES FOR AIRCRAFT CARRIERS TO BOTTLE UP—OR HOLD OPEN—THE ARCTIC SEA

THE Rock of Gibraltar is no longer the world's most formidable fortress. After 1,237 years of uncontested supremacy, "Gib" has had to yield its lead to an obscure fortress in the Far North of Europe —Norway's Trondenes Fortress.

Trondenes is the key of a network of 357 fortresses, fortified artillery positions and camouflaged gun emplacements, seemingly endless underground passages and concealed arsenals. It has some of the world's largest caliber coastal guns capable of firing 20 one-ton missiles each minute.

The whole fort is well-nigh invisible. I sailed immediately beneath the big guns which ring the northeastern cape of the Hinnöy Archipelago without sighting a single one, so well hidden are they in their rocky, man-carved lairs.

The new fortress giant occupies the whole of a small peninsula long famous throughout Norway for its historic little church with a quaint, high roof reminiscent of the gothic dwellings of the early Hansa.

The church is still there, serene and quaint as ever, but its ancient churchyard has undergone an ominous change. Where but six years ago only a few old burial places were laid out for the patrician families of Trondenes, now stretch innumerable graves with the nameless bodies of the men who built the fortress. These are the graves—scores of them mass graves—of the Russian prisoners of war who died here in captivity while the fortress was born. The air is still heavy with the smell of lime of chloride.

Although today Trondenes Fortress is the apple of the Norwegian Army's eye, it was not built for, or by, Norwegians. Indeed, the sudden possession of such a formidable military installation has been a matter of some embarrassment to Norway, a small and peace-minded democracy. It has made her friendship a prize to be contended for in the Cold War and converted into certainty the chance that she will be involved in any future arctic war.

Exclusive Photos—From Official Scandinavian Sources

n any Arctic Conflict

CROWN PRINCE OLAF OF NORWAY (SECOND FROM LEFT) WITH AIDES UNDER TRONDENES' LARGEST CANNON

Trondenes Fortress was built between 1941 and 1944 by the German *Wehrmacht* to secure vital Narvik against an ever-expected, never-realized Allied attack.

A look at the map of Northern Norway reveals the scale of this fortress network. The system of the 357 forts begins just below the Arctic Circle with four huge naval guns on the island of Roervik. The line then swings northward. It gains momentum as it reaches the storm-whipped Westfjord and the broad approaches to the strategic plum of Narvik. This southern channel to Narvik proper is secured by one of the two key fortresses of the system, known as the Svolvaer Fortress. This consists of a series of heavy coastal guns capable of closing the Westfjord at its widest point, some 60 miles away, at Bodö.

But Svolvaer Fortress is eclipsed by its twin to the north at Trondenes, designed to secure the winding narrow approaches to Narvik from the north.

The Trondenes area has a significant military tradition. A few miles to the south of the new fortification is Harstad, garrison city of the famous 6th Division, once commanded by the late, great General Fleischer. Today it is GHQ of General A. D. Dahl, one of Norway's outstanding heroes of World War II. Harstad, too, is the administrative center of the so-called War Commission of Northern Norway, in charge of recruiting and selective service. It is, in fact, one of the world's northernmost major military bases.

It was in this general area that the Nazis decided to build not merely a conventional fortress along orthodox lines, but a veritable redoubt far more formidable than the publicized redoubt Hitler prepared for himself in the Bavarian Alps. So ambitious was the project and so elaborate the precautions which screened it that the rumor was spread all along the pitted coast of Norway that Trondenes was built up for Hitler himself as a firm foothold for his last stand. Some passages in

Norway's Ace in the Hole *continued*

Trondenes revealed such designs and comforts that even military experts appear to share belief in the tales.

The Germans left the spot in great haste in 1945. They were so harrassed by the approaching Anglo-Norwegian-Russian forces and so confused by the contradictory orders flashed to them from Hitler's headquarters, that they failed to do a good job in eradicating their own handiwork.

The system was deserted more or less intact. The guns were left raised for immediate firing, stocks of ammunition were found piled in the underground arsenals. A communication system was virtually untouched with wireless transmitters, field telephones, *Hellschreibers* (teletypes) and similar apparatus still useable.

The returning Norwegians first regarded this network of forts as a rather annoying inheritance. It was looked upon as a memento of past folly rather than the potential implement of future conflict. Steps were taken to finish the work of demolition so clumsily begun by the Nazis.

There is a story behind the demolition work of the Norwegians—one that causes as much embarrassment to the Oslo General Staff as the unexpected inheritance of the forts itself. The end of World War II found the Red Army in the immediate vicinity of this formidable fortress system and nobody knew what the Kremlin's intentions were.

The British advisers of the new Norwegian Army viewed the proximity of the Russians with unconcealed alarm. There in Norway the Nazis left behind much of their military potential—in guns and ammunition, in planes and war vessels, and above all, in this new fortress that out-gibbed Gibraltar.

FROM HURRIED DEMOLITION TO SYSTEMATIC SALVAGE

The War Office decided that nothing of this war surplus must fall into Russian hands. The Norwegians were instructed to destroy all that was not needed and much even of what was needed. Thousands of guns were scrapped, tons of ammunition dumped into the North Sea. So thorough was the work of destruction and so insistent were Norway's British advisers on eradicating the legacy of the *Wehrmacht*, that they insisted on the destruction of bales of army blankets. They were dumped into the sea to the consternation of homeless Norwegians who, shivering in the bitter arctic cold, watched the work of senseless destruction.

About 40 per cent of the fortresses, with all the guns and other war materials, were eventually dismantled. But the pointless demolition was not long continued, and a system of salvage introduced. Most of the big guns and other equipment had been brought from Germany—some of it from the Maginot Line. The German and French firms which produced those guns are out of business. No spare parts are available should any one of the fortresses fall into disrepair. So the dismounted 40 per cent are now used to provide the spare parts of the remaining 60 per cent—to keep the system in a state of readiness for whatever emergency may come. The Svolvaer fortress is not dismantled but decayed. Fishermen now hang their nets on the big German guns. On strings suspended from them they dry the catch of the day. Children play in the casemates.

Trondenes, almost alone, is un-

Germany set them up—Norway inherited the guns

WARTIME—Germans operating a coastal gun at Trondenes (captured photograph).

POSTWAR—This anti-aircraft listening device in the process of being dismantled at Narvik will be used to provide spare parts for German-supplied defense installations.

PRISONERS OF WAR—These two exultant Russians were liberated from the Germans by the Norwegians in 1945.

PRISONER OF WAR CAMP—This camp housed Soviet prisoners who were used by the Nazis to build the fortresses.

THE RUSSIANS LEARNED

ABOUT THE NORTH CAPE FORTS

THE HARD, AND BITTER, WAY

PRISONER OF WAR CEMETERY—The crosses are but a few marking 13,000 Russian graves in and near Trondenes.

changed, unscrapped, undecaying. For a while it was treated as a kind of open-air military museum and a proving ground. The young officers of the new Norwegian Army were taken to Trondenes for practical instruction. But the renewed war talk, and especially Norway's precarious military position between East and West, increased the value of the deserted fortress, and it has been recently re-activated.

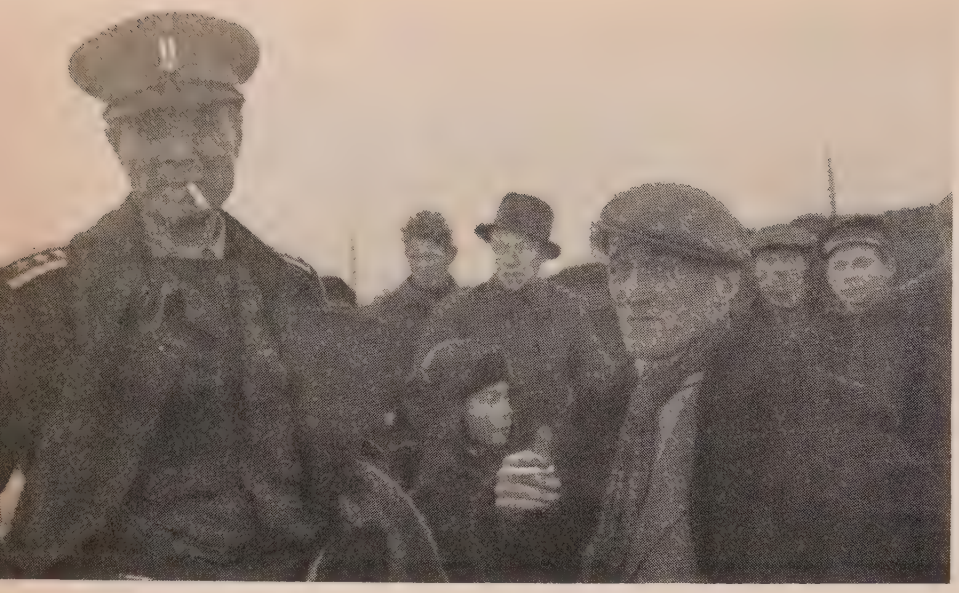
When the Norwegians moved in to re-occupy the fortress they found themselves losing their way in the uncharted underground labyrinth. They needed guides to show them around, to explain the push-button system, to operate the ventilators, to show them what makes Trondenes tick.

A call was sent to Germany to locate the senior officers who supervised its building and then commanded the finished fortress. They were quickly found. Last summer several of them were flown to Trondenes and acted as guides on a sightseeing tour on which Norwegian officers appeared in the strange role of visitors in their own military backyard.

Since then, Trondenes Fortress has been put into a state of moderate preparedness. If nothing was known of the world's most formidable fortress, it is not due to Norwegian secretiveness. The Norwegians realize that there is no point in trying to conceal this military installation from the Russians. After all, wasn't it built by captive Russian labor? Its secrets, the Norwegians assume, must be known to the Soviet General Staff.

Trondenes now stands as the overwhelming symbol of the Arctic world's newly gained strategic significance. The guns of Trondenes may yet usher in a new world war—or they may remain silent forever.

When I discussed Trondenes with one of my Norwegian friends, he offered a suggestion, only half frivol-



POSTWAR—Gen. A. D. Dahl, one of the North's hardest fighting young high commanders, then a colonel, consults Finnmark's governor, Peder Holt, then a journalist.

PREWAR?—These boys are almost the only Norwegians unworried about a war

Norway's Ace in the Hole *continued*

ously, which through its surface fancy nonetheless exemplifies the peace-minded outlook of the Norwegians. He suggested that Trondenes be offered to the Prudential Life Insurance Company as an up-to-date trademark—to replace its outdated symbol, that old and worn Rock on the Straits of Gibraltar.

Because of this shift in strategic importance from West Mediterranean to North Atlantic, the Scandinavian joint chiefs, the Scandinavian Foreign Ministers and Prime Ministers have found themselves confronted with questions to which they seemed to know no answers. It is no overstatement to say that the unwritten Scandinavian alliance broke up on the rocks of a strategic triangle, the base of which extends from the Lofoten to Kirkenes, and for which the North Cape provides a fitting apex.

On the basis of the Scandinavian leaders' estimate of the situation and their evaluation of a problem they could not solve, it is possible to piece together the mosaic of the grand strategy in which northern Scandinavia looms exceptionally large.

The most important of a series of top-level conferences was a meeting of Scandinavia's defense chiefs, when I was in Oslo last October. It was at this meeting that the crucial question of Scandinavian neutrality was first discussed in terms of war or peace. The Swedes and the Danes begged off from joining the planned mutual defense pact. Though the meeting ended inconclusively, it produced an objective estimate of the situation—with a basic premise and a set of plausible assumptions.

THE TWO-BEACHHEADS STRATEGIC PLAN

The basic premise is that the whole of Sweden and northern Norway, including Spitsbergen, have gained a new strategic significance, equalled only, in its potential pressure on the European heartland, by the area around the *eastern* Mediterranean and the Suez Canal.

The Scandinavians, morever, assume that detailed operational plans are being prepared for this contested area in the staff offices of London and Washington—as well as Moscow. These hypothetical plans obviously envisage a race for the possession of the North Cape on the day—or the day before—the hostilities of another war might begin.

According to my informants, the so-called Grand Strategy of the West discounts the possibility of holding the whole, or even major parts of Western Europe. Britain, though battered and badly bruised by buzz bombs, is expected to stand fast in another one of her "finest hours." On the Continent, the fate of France is regarded as sealed, not so much under the impact of external as internal assault. The rest of Europe is expected to fall.

These same plans estimate that at least one year will be needed to "liberate" Europe but this is frankly described as an optimum estimate—*based on the assumption that the West will retain two major beachheads on the continent proper.*

One of these beachheads is now revealed as Spain—the factor behind Lord Montgomery's casual suggestion that Franco be unseated by Western action in the near future. The other is Northern Scandinavia.

The Russians, of course, are assumed to have plans of their own. These the Scandinavians have labored to reconstruct from morsels of information, as paleontologists recreate an ante-deluvial monster from a footprint and a broken buck tooth. I have spoken with military experts of excellent standing and qualifications who profess startling success with this process of reconstruction.

According to the hypothetical Red blueprints, the Russians will enter the race for the North Cape—chiefly to prevent the West from getting there first. The Russians have the immense advantage of proximity. They can cross the frontier in force, take Kirkenes, Vardoe and Vadsoe, all within 100 miles, without much resistance, then roll westward on the excellent Road Number 50 which aided the Germans immensely in their retreat.

This famous road leads to such strategic points as Lakselv at the pit of crucial Porsanger Fjord (135 miles) and Alta in Altafjord where the Tirpitz found an uneasy haven. The road reaches the North Sea at Kvaenangen. There are virtually no obstacles to prevent the march from reaching Tromsoe and probably even Narvik (385 miles) in the first sweep.

The Scandinavian-visualized Russian plan may have subsidiary elements involving, among others, Sweden in a rather active manner (see *Program for Disaster* by Gen. Helge Jung, UNW, January). But the overwhelming theme of the Soviet Grand Strategy is this denial of a string of strategic fjords to the Allied navies, especially to their much-feared aircraft carriers.

The Soviet plan is, indeed, motivated by a land army's fear of superior seapower and of the presence of floating airfields on Russia's threshold.

The fjords of this region which provided excellent hideouts for the fugitive Nazi surface fleet and bases for U-boats, would provide ideal ports for the active and agile Allied navies.

If this is really the Soviet plan, my informants tell us that it is both simple and sensible. It is relatively easy to accomplish, with limited forces, virtually without the aid of a navy, and with relatively minor air support. What to the Western Allies would be a major and risky *naval* operation (risky because of the possible presence of scores of Soviet submarines), would be a comparatively limited *land* operation for the USSR.

This would suit the Soviet General Staff, for it hopes, if it has to fight, to lure its opponents into a land war in which, they calculate, the Red Army has a distinct edge.

Three Norsemen To Watch

HALVARD MANTHEY LANGE—*Foreign Minister*

■ A 47-year-old college professor and left-wing socialist, he looks and acts every bit the old-school-tie diplomat. Brought up in Geneva by an internationalist father, Norway's delegate to the League, Lange has the know-how of international co-operation bred into his bones.

JENS CHRISTIAN HAUGE—*War Minister*

■ An ex-underground leader, 33 years old, the father of four children, Mr. Hauge rides a bicycle to his office on Storgaten every morning. An intellectual, the War Minister has little in common with and is inclined to mistrust —and, perhaps, to fear—the professional military man.

GOTTFRED HOELVOLD—*Communist Chief*

■ Now 50 and a leader in Finnmark, Mr. Hoelvold is a pre-war graduate of the Leningrad Comintern School. He escaped to the USSR when the Germans took Norway in June, 1940, returned in a Red Army uniform, entered politics and was elected mayor of liberated Kirkenes.

Battle Order Of the Northern Frontier

THE foregoing are the theoretical contours of the military situation as seen from the vantage point of Trondenes, the major military base of the Arctic region. But what of the forces to execute these plans?

A battle order of forces on either side of the Northern Frontier reveals three startling facts. Despite the increasing tension and the cold war between Norway and the USSR, despite headlines in the world press:

1. The Norwegians have almost no armed forces in Finnmark—no navy whatever, just a few small planes, and but a token ground force.

2. The Russians, though they outnumber the absentee army of their neighbors, show no sign of planning what even remotely could be described as an aggressive move.

3. Despite strategic preoccupation with the region, the western powers appear to have made no tactical move to prepare the area for a showdown.

Norway, obviously, cannot afford the material means her precarious position requires. The over-all strength of her current preparedness may be gauged on the basis of the situation in and near Kirkenes. At the Russo-Norwegian frontier at Elvenes, Norway maintains a squad of 10 soldiers. Their chief weapon, I presume, is the telephone with which to warn their comrades to the west of an impending disaster.

The security of the whole region—about the size of Holland and Belgium—is entrusted to a single battalion, the famous war-tested Alta Battalion. The high quality of its valor is no compensation for its grave inferiority in numbers.

Norway's Ace in the Hole *continued*

But even though the whole of Finnmark is by law a military zone, a squad posted here and a company maintained there are patently insufficient in numbers and inadequate in equipment to implement any ambitious plan.

The once-formidable German air base at Kirkenes lies in decay and ruins. Its runways, of lumber, were burned and its installations blown up. There are now two newer airfields in the region, one in Pasvik on the Arctic Ocean and the other farther south, but they are too small to be seriously considered as strategical assets.

The ports all along the peninsula were burned or blown up by the Nazis, and are but partially restored with temporary piers and quays. The pace at which the work of reconstruction proceeds does not indicate that the region is being prepared to house an itinerant army or to serve as the hinterland of an imminent war.

Repeated Soviet accusations in radio programs directed at Northern Norway—that the area is honeycombed with "western spies and military agents" — lack foundation. Virtually the sole such visitor from the west in recent months was an American assistant military attache who spent his vacation in a very nonstrategic part of Finnmark in the company of his wife.

In fact, the sole installation on a large scale is Trondenes. The rest of the network could, of course, be reactivated in a short time in case of emergency. There is, however, a major flaw even in Trondenes—in the western powers' view. The system was originally built to repel attacks from the west. It may be useless against an opponent that comes from the east. The Russians, on their part, do not expect to go beyond the water's edge.

The Soviet battle order in the Arctic is but little known even to the best-informed intelligence services of the world. The area is vast and possibilities of concealment are considerable. There are no desertions in the North and but slight means of obtaining useful information, unless agents are used in warlike manner—and I saw no evidence that the Norwegians are doing so.

According to the best available information, gathered on the very threshold of the USSR, the Russians maintain four divisions in the area between Finnmark and Murmansk. They are thinned out and probably at reduced peacetime strength. Actually the strength of all Russian armed formations in the region is estimated at about 60,000 Army, and 40,000 Navy, Air Force and Secret Police. The whole force is believed to be commanded by Colonel General Ratov, the victor of 1944-45 in Finnmark. His divisions include some which defeated Gen. Lothar Rendulic's 20th Mountain Army consisting of two German army corps and the 2nd, 6th, 163rd, 169th and 210th Divisions.

The Russian divisions appear to have adequate equipment, including some tanks conditioned to arctic warfare, self-propelled guns and vehicles. They are observed in minor maneuvers, practicing night problems and forest fighting. But they reveal no warlike preparations, show no patterned deployments, much less hostile intentions. As a matter of fact, they are generally invisible.

One important aspect of the arctic battle order of Russia is the exceptionally large number of spies maintained by the Soviet High Command. Since there is very little the Norwegians are trying to conceal, they are often amused rather than alarmed by this elaborate espionage.

The chief spies of the Russians are certain local Communists among whom are graduates of Russian espionage schools and some of whom arrived in the Finnmark in the uniform of the Red Army. When I was seen in Kirkenes in the company of a high-ranking Norwegian officer, the presence of "an American journalist and a Norwegian officer" was promptly relayed across the frontier, and just as promptly broadcast back by radio that same night.

A major espionage problem for the Norwegians is represented by what is normally the most colorful feature of the region: its reindeer people, the Lapps. These natives of the tundra recognize no frontiers and no frontier regulations. When the Russians closed their Norwegian frontier, they made exceptions to allow for the Lapps' traditional migration. This leniency was not understood in Norway—until it became clear that the Lapps were transmitting information to the Russians.

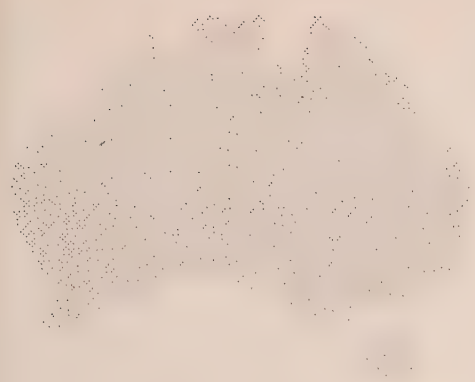
In appraising this analysis it may be well to bear in mind that, though prepared by an eye witness—it deals with an imaginary war. Moreover, this "campaign" for the North Cape covers an area of thousands of square miles, far north of the Arctic Circle, washed by the frigid waters of the Arctic Ocean, and overlooked by the forbidding barrenness of jagged, rocky mountains. Today's coastwise ships require three days to cover the distance between Trondenes Fortress and what the Germans called *Festung Kirkenes*. War may accelerate this tempo, but the elements will play a very important role in slowing it down again.

Only three and one-half years ago, in spite of bitter cold, arctic dark and difficult communications, a major war *was* fought along this North Cape. But at what cost in men and machines and equipment! The Russians and the Norwegians have not forgotten the lessons of that war. The Americans and, to a lesser extent, the British, have them yet to learn.

Chronology of Crisis

Oct. 17, 1948	Scandinavian defense chiefs meet in Olso
Jan. 5, 1949	Karlstad Conference of Premiers
Jan. 22, 1949	Karlstad meeting continues in Copenhagen
Jan. 29, 1949	First Soviet Note to Norway
Feb. 1, 1949	Oslo answers first Soviet note
Feb. 5, 1949	Second Soviet note to Norway
Feb. 6, 1949	Foreign Minister Lange flies to US

By MARC T. GREENE
Veteran observer and reporter in the Southwest Pacific



Nation of promise and problems

Australia

A LAND WITH MILLIONS OF UNCULTIVATED ACRES—
YET ONE LABORER IN FIVE IS OUT OF A JOB

A FRESH CONTINENT, STILL PARTLY UNEXPLORED—
YET BLOTCHED WITH NAUSEOUS URBAN SLUMS

A STATE GOVERNED BY ITS LABOR PARTY—
YET HAMPERED BY STRIKES OF TRUCULENT WORKERS

AUSTRALIA is in a bad way. Industrial disorder has been undermining economy and threatening the country's future almost constantly since the end of the war. It has grown worse instead of better.

Labor has grown more and more truculent. The "militant" groups are, in fact, as bitterly at odds with the Federal Government—a Labor government, incidentally—as they are with the employers. Strikes have so tied up industries, especially mining, that directly and indirectly several million manpower hours have been lost during 1948.

Shortage of electric power, due to lack of coal unmined by striking miners, has been the gravest consequence. This alone has increased unemployment in the Commonwealth by an estimated 200,000, besides causing annoyance, discomfort and often extreme hardship to the populace. For lack of coal transport has been curtailed up to 50 per cent of normal. Lighting is limited. Home and office heating is restricted to a negligible minimum even in the winter season. Cooking facilities can be used only at certain times, thus contributing to under-nourishment in the poorer classes. And, not least, the trains carrying cargoes to overseas ships are seriously reduced. Ships themselves are held up as much as two months in their "turnarounds" when normally a fortnight suffices.

Australia is, of course, a primary-products country. Its major exports are wheat, wool, dairy-products, beef and mutton, hides and tallow. Of these the Commonwealth exported 125,000,000 pounds worth in the last half of the year 1947—roughly $406,250,000, the Australian pound being worth about $3.25.

The value of *all* exports during the *whole* of the fiscal year 1946-47—the last half of '46 and the first half of '47—was 309,000,000 pounds, as against a total of imports for the same period of 209,300,000. With such a "favorable" balance of trade, most of Australia's imports are in the luxury class. The main items are tea—more than 7½ million pounds worth—textiles, motorcars and petroleum. Textiles in piece goods constitute by far the largest single item of import, 31,251,495 pounds.

Mining and steel production are the next most important industries. The Broken Hill Steel Works is the largest in the British Commonwealth. Its factories are at Newcastle and Port Kembla, both deepwater ports on the sea coast. The iron mines are at Broken Hill, in Victoria. The Broken Hill Works produced 800,000 tons of steel ingots in 1947, and 560,000 of pig iron. The Australian Iron & Steel Co., with works at Port Kembla, produced 475,000 tons of steel and 377,000 tons of pig iron. This is shipped to all parts of the Commonwealth, especially to the East, also the Netherlands Indies.

The 15,000,000 tons of coal mined in 1947 is far under the possibilities, for the reasons already mentioned. Other Australian minerals include gold, copper, lead, silver, tin and zinc. Their aggregate value last year was not far from 50,000,000 pounds.

Australia *continued*

Gold production was 937,000 fine ounces.

Agriculture has been as sorely impeded by lack of manpower as other industries, with the difference that agricultural workers, instead of striking, simply quit. As a result, whereas 23,500,000 acres were producing crops in 1938-39, this area had fallen by 2,500,000 acres in 1946-47. Between 1938-39 and 1946-47, grain-production (wheat, oats and corn) dropped more than 40,000,000 bushels, though wheat is yielding 16.34 bushels to the acre as against only 10.83 a decade ago.

Australia, greatest of all sheep countries, possesses nearly 100,000,000 of the animals, but that is 25,000,000 fewer than in 1944. The reasons for this falling-off are, of course, associated with the war, with some severe droughts—which introduces one of Australia's gravest problems, shortage of water—and, again, manpower. The number of cattle, on the other hand, remains fairly constant at around 14,000,000. The total of fresh meat production, including mutton, lamb, veal, pork and bacon, has risen from 805,000 tons two years ago to an expected 900,000 this year, but that is more than 100,000 tons less than six years ago.

If the foregoing figures described postwar production in a thickly populated small country, they would seem to indicate a stable and expanding economy. But Australia is only 50,000 square miles smaller in area than the whole of the United States—with something under 8,000,000 population. And two-thirds of all Australians lives in six cities. More than one-third crowd into Sydney and Melbourne alone. And since the war more land has been abandoned than in the previous 20 years, resulting in greater slum areas. In the notorious Surrey Hills and Rushcutters Bay districts in Sydney, social conditions are perhaps worse than in any other large city in the English-speaking world. Slum conditions in parts of Melbourne are almost as bad. Sydney's lawlessness has won for it the appellation, "Chicago of the Southern Hemisphere."

Sydney is the worst sufferer from the existing industrial chaos. Even

Too few in the country—too many in the city

THE COUNTRY

THE CITY

THE POPULATION problem is shown by the milling crush above and the "settled" country (one house visible) at left.

normally its transport system is far from equal to requirements. With the shortage of electric power due to mine strikes the public endures constant hardships. There is never enough power for lighting, for heating, for cooking. Everything suffers for lack of electricity. Everything, that is to say, except sport. *That* must go on though the Australian heavens fall.

A star cricketer is of far more importance in Sydney than the Prime Minister. The jockey whose mount wins the Melbourne Cup is more adulated than the agricultural scientists and the construction engineers who have shown how productiveness can be increased twenty-fold.

The crux of Australia's problem is just that: productiveness. Every objective study made, whether by the Commonwealth, or private agency, is agreed on this point. But increased productiveness demands population, which in turn suggests immigration on a scale far larger than Australians have ever contemplated.

Australian factories of all sorts number about 35,000 and employ approximately 850,000 people. Salaries and wages totalled in 1947 some 250,000,000 pounds ($830,000,000). This was an increase in eight years of about 12 per cent in number of factories and of more than 100 per cent in wages, indicating a reasonable advance in the development of secondary industries but, a greater increase in the cost of operating them, with corresponding rise in the cost of their output to the consumer and thus a marked increase in the cost of living.

Of even more significance are the figures for the net value of the recorded production of industries in the Commonwealth. The Official Summary of Australian Statistics dated March, 1948, discloses that total production in 1945-46 (the latest given) was of the value of 656,500,000 pounds ($2,133,000,000). This was 6,000,000 pounds under the figure for 1943-44, and 15,000,000 over that for 1944-45.

In terms of value of industrial production per individual Australian, the figures run: 87 pounds in '42-'43, 91 in '43-'44, 87 in '44-'45 and 88 in '45-'46.

It has lately been officially announced that the cost of living in the principal Australian cities has increased 43.1 per cent in the last nine years. This, however, is very much an over-simplification because small increases in certain controlled or subsidized items conceal the 100 to 150 per cent actual increase in such important consumer goods as clothing of all varieties and grades. In the same period the basic wages, adjusted quarterly against price variations on a fixed group of commodities, have risen markedly.

There is in Australia no fixed general basic wage. Each city and/or group of towns sets its own. In Sydney the basic wage in 1939 was four pounds, two shillings a week. Today it is six pounds, two shillings. One constant complaint of labor is that the advance in the fixed basic wage lags far behind the increase in living costs. Groceries, fish, fruits and vegetables are not included in the test group and these have risen by 120 per cent in 10 years, whereas the basic wage has risen less than 50.

As a result of this discrepancy, and further complicating a confused situation, the majority of workers have won fixed margins in excess of the basic wage. The resulting widening spiral of wages and prices very much resembles that in America and is causing experts the same concern.

Moreover, export prices for primary products cannot be expected to remain stable at the current fantastically high figures. When primary products prices commence to fall, as they must sooner or later, the results in Australia may well be catastrophic.

The dangers of sparse settlement of a large and potentially rich country are obviously both military and economic. The lesson the Commonwealth received when the Japanese stood on its northern shore in 1942 has altogether failed to endure. Not only is the "White Australia Policy" as determinedly insisted upon as ever, but that even greater anachronism, "Australia for Australians," is mouthed as unctuously by the multitude as 20 or even 40 years ago.

The aggressively critical editor of the *Sydney Morning Telegraph*, Brian Penton, calls this "national pride, patriotism, and other forms of respectable ostrichism." He has written a book on the general subject under the title of "Think—Or Be Damned!" It is written, he says, "in a mood somewhere between horror, fear, anger, and irrational faith in the future of this Continent."

The problem of population is partly economic and partly psychological. Because of its distances, its vast silences, its droughts and lack of immediate promise, the great interior is uninviting.

All its dreariness is not, however, fundamentally different from the picture of the American Southwest—before it was developed. There is, however, one point of difference and an important one between the Bush and the Southwest. Much of Australia's empty land gets plenty of rain. Its possibilities are not confined to stock-raising, they are also agricultural. Moreover, the areas where water is lacking and droughts frequent are almost all within the irrigation schemes outlined by any number of experts employed by the Government to report on this point and whose reports have been tabled and forgotten.

Meanwhile, wastage in the matter of water power and soil erosion has for years been and continues to be appalling by any standard. Banks of streams which could and should have been utilized for irrigation long ago

Australia *continued*

have been allowed to crumble away to such an extent that less water is carried by the principal rivers than 50 years ago.

Cutting down and "ring-barking" of forests, has greatly impaired another national asset. Pastures aggregating millions of acres have degenerated through neglect and lack of manpower.

The Northern Territory, 500,000 square miles, with less than 6000 European inhabitants, has enormous potentialities for cattle raising. Cattlemen of the region believe the beef cattle quota here could be raised from the present 100,000 to more than two million.

During the war the Northern Territory supplied more than 100,000 Allied troops with meat, fresh vegetables and fruit, and other necessities. Since then the British Food Ministry has sent a commission, headed by Sir Harry Turner, to make an aerial survey of this vast, empty region. The conclusion reached was that the area was greater both in size and possibilities than the Canadian prairie region which has made Canada the third exporting country of the world.

In Queensland—the tropical and semi-tropical northeast — there are the largest cattle "stations" in the world. Largest, that is to say, in area, but not in productivity. Alexandria, in west Queensland, includes 8,250,000 acres of land authoritatively considered excellent grazing, some of it arable enough for agriculture. Yet through lack of sufficient labor—or call it underpopulation—thousands of tons of good beef are lost every year through spoilation—surely an economic wrong of huge proportions.

Of this northern Australia the present Administrator, A. R. Driver, says, "There may be no diamonds here but there is enough untouched wealth to buy the Kimberly mines."

The present harassed Labor Government is unlikely to meet effectively the challenges Australia's potentialities offer.

The Labor Government has stated that it is prepared to accept and to do all possible to welcome—in the material rather than the sentimental sense—some 15,000,000 English men and women to the Commonwealth "as soon as transport is available." For the next few years it is hoped to bring in around 50,000 annually. But the housing situation in Australia is as bad a headache as anywhere, and even these few are unable to find decent houses to live in and some have become so disgusted they have turned around and gone back to Britain. It is estimated that at least 60,000 new houses a year will be needed for the next 10 years. Yet in 1946-47 no more than 32,000 were completed.

Housing costs every Australian who earns no more than four pounds a week, and there are plenty of those, a third of his income. All incomes under 10 pounds a week average 19 per cent of that for housing.

Australians very frankly prefer American immigrants to English, and some of the former have already succeeded in setting themselves up in favorable economic circumstances. As for the latter, a candid "Aussie" writer has this to say:

"It is toward the 'Pommy' that our national bosom is thumped most vigorously. We condemn this apple-cheeked migrant as a man of small valor, resourcefulness or independence, since we ourselves, as everyone knows, are the most resourceful and independent people in the world, a regular devil-may-care race, proud of our reluctance to kowtow to social superiors, to salute officers, to say 'Sir,' as the weak-kneed, home-grown Anglo-Saxon does—the anemic, city-bred English!"

This, if it is really the average Australian's state of mind regarding the English—and who that knows Australia can doubt it—doesn't augur a very warm welcome for the 15 million, assuming any considerable portion of such number ever get there.

The Penton book warns Australians they must "think or be damned." What it really means is that they must produce or be damned, populate or be damned, exploit their rich continent or face extinction. And the extinction all Australia fears is submergence in an alien, Asiatic flood. Hungry, prolific men will not let rich foodlands lie idle forever. In the light of this certainty "Australia for the Australians" becomes what Editor Penton calls a "poppycock-encrusted catch cry" in a flood of which his fair land may well drown.

THE PEOPLE—THEY LIKE SWIMMING, BOATING, CRICKET, LEISURE

How To Help Your Friends

understand their Problems*

Either LEND THEM YOUR COPY

OF UN WORLD EVERY ISSUE

or PUT THEIR NAMES DOWN FOR THEIR OWN SUBSCRIPTIONS

Why the readers of UN WORLD are abreast with—and ahead of—international news

AS FAR BACK AS OCTOBER, 1947, when the world's attention was primarily focused upon Europe, UNW insisted that, in terms of global problems, "The Asiatic Century is Upon Us" (article by Robert Payne, UNW October 1947, page 41).

AS FAR BACK AS NOVEMBER, 1947, at a time when the world was predicting civil war in Italy, UNW stated flatly that there would be "No Revolution in Italy," (article by Louis Dolivet, UNW November 1947, page 35).

In that same issue, when virtually all of the world's press proclaimed the inevitable death of the UN, the UNW affirmed "The UN is Here to stay" (editorial, UNW November 1947, page 64), a conviction which Russia's refusal to withdraw at Paris last fall made general.

Incidentally, as far back as May, UNW predicted specifically that Russia would not withdraw from the UN: "Why No War" (editorial by Louis Dolivet, May 1948).

AS FAR BACK AS JANUARY, 1948, the UNW pierced the Iron Curtain, and reported the rumblings of discontent inside the Soviet bloc: "Eastern Europe Changes the Party Line," (State of the World, UNW January 1948, page 49).

When the predicted Tito-Cominform break came in July, UNW reported the circumstances which made it inevitable and predicted that the schism would establish a second Communist camp—forecasts which are now being accepted as established by other experts writing on the subject "Inside Story—the Tito Crisis" (State of the World, UNW August 1948, page 2).

AS FAR BACK AS JUNE, 1948, when war rumors engulfed Washington, Moscow, London and other capitals, the UNW calmly aserted that there would be "No War in 1948," (State of the World, UNW June, page 1).

AS FAR BACK AS AUGUST, 1948, six weeks before the Moscow negotiations among the Four Great Powers ended in failure, the UNW strongly urged that the Berlin crisis be brought before the UN, a course of action eventually confirmed by events. ("Berlin's Only Open Road," an editorial by Louis Dolivet, UNW August 1948, page 64).

In that same issue, six weeks before the opening of the UN General Assembly, the UNW pointed out that the Eastern and Western blocs would face a major showdown: "East-West Cold War—Crux at Paris," (State of the World, UNW August 1948, page 1).

In the same issue, UNW predicted the attempts of the Franco government to gain admission into the UN: ("Pro-Franco Offensive Will Be Staged," State of the World, UNW August 1948, page 1).

UNITED NATIONS WORLD, 3-49
385 Madison Ave., New York 17, N. Y.

Please enter my subscription for 1 year at $4.00 ☐; 2 yrs. at $7.00 ☐; 3 yrs. at $9.00 ☐. Enclosed find ☐ check, ☐ money order. (Foreign postage $1.00.)

Name.....

Address.....

Name.....

Address.....

***World problems—which are everybody's now and becoming more so**

WHAT THE POSTWAR RESURGENCE

OF CHRISTIAN DEMOCRATS

MEANS TO THE NATIONS OF WESTERN EUROPE

Politically Christian

BY RICHARD GOOLD-ADAMS

Staff member of the "London Economist"

For more than a thousand years the Catholic Church has been a major political factor in Europe. Charlemagne was crowned by Pope Leo III in Rome, the Hapsburgs and the Bourbons were for hundreds of years Catholic Kings of Catholic peoples. Though the Vatican's political influence waned with the development of representative governments, it has never completely subsided; and in several countries frankly Catholic political parties played a part in democratic Western European governments until disbanded by the Nazis and, in Italy, the fascists.

Since World War II, the Catholic Church has enjoyed renewed political vigor and Catholic parties have won strong, new roles. The following briefing, by a British observer, is designed to give non-Europeans a clear picture of the current situation in Austria and Western Europe.

Italy

Democratici Christiani and de Gasperi

It is in Italy that the Christian Democrats have reached their highest attainments. Last April, the party actually won an outright 51 per cent majority in the Chamber of Deputies. This performance was not quite repeated in the Upper House. But, even so, a hold on 46 per cent of the Senate seats has given Signor de Gasperi, Christian Democrat Party leader and present Prime Minister, solid base for his coalition government.

Few people in Italy now doubt that, short of a Communist-inspired *coup d'etat,* the Christian Democrats will rule for the full parliamentary term of five years, of which over four have still to run.

The Catholic parties of Europe include men of many different political views, and members of *Democratici Christiani* run true to form. They are not by a very long way all of like mind.

Among their leaders Signor de Gasperi himself stands out as a kind of Socialist, in comparison with others who have great estates and factories and mean not to lose them. In consequence, de Gasperi has had to move carefully. And there are those in Italy now who say that it is his Left wing, rallied round Signor Gronchi, which is the least satisfied with the Party's record so far.

France

MRP and Maurice Schumann

Across the Alps run the scattered ranks of the *Mouvement Republicain Populaire,* the MRP, the French Christian Democrats. Formed in 1944 by M. Bidault out of the remains of the old Catholic parties of France, the MRP has had many links with its friends in Italy, and indeed has helped them where it could, for instance in the struggle to retain Trieste. But the MRP has lately seen as sharp a fall in its membership as there was at first a rise. And now it is but a shadow of what the Christian Democrats are in Italy.

The MRP struck it rich at the very start. During the first year or two after the liberation, many Right wingers in France felt that it was the only respectable party they could vote for. The MRP's supporters included many women. At one moment it was the largest party in France, its leaders a trifle astonished perhaps at their own success.

Today, fortunes have changed. The MRP still has more deputies in the Chamber than any other party except the Communists. But its paper, *L'Aube,* is, significantly, in financial difficulties nearly as severe as those of the Socialists' *Le Populaire.* A whole wing of the party has been lost to General de Gaulle, expelled along with its leader, Edmonde Michelet. And in last autumn's elections for the Upper House its strength fell disastrously.

The start of the change was the return to active politics of General de Gaulle. But what has really happened is that the MRP has fallen back to its rightful and natural place as a left-wing Catholic group, never likely to represent more than a relatively small proportion of the country. Right-wing opinion has swung into line behind *M. Le General.* The Church indeed is now itself in an awkward position. Many of its leading dignitaries are Gaullists, while the smaller clergy, suspect for their socialist tendencies and interested in the *Jeunesse Ouvriere Catholique,* remain MRP.

Kept together, however, by its able secretary-general, Maurice Schumann, the MRP has a crucial role to play in the Fourth Republic. It is an essential part of the Third Force coalition. Unfortunately, it feels bound to split with its Socialist colleagues whenever the clerical issue is raised, as it inevitably is from time to time in the educational field. On the other hand, having accepted economic *dirigisme,* the party backs up the Socialists in their own perennial quarrels with the Radicals.

Germany

CDU and Adenauer, Müller and Kaiser

In Germany, the post-war Catholic movement passes under several different names. The Catholics existed before the war as a political party, and have started up again as separate organizations in the different zones. Under the British and Russians they call themselves the Christian Democrat Union (CDU), while in the American and French zones they are the Christian Social Union.

These Christian Democrats probably form the strongest parties in Western Germany, though run a close second by the Social Democrats. And Dr. Conrad Adenauer, former Lord Mayor of Cologne, who is the head of the party in the British zone, has not unreasonable hopes of becoming the first President of the new West German Federation when it comes into being. Dr. Adenauer is every inch a Conservative. But his second, Dr. Carl Arnold, the Premier of North-Rhine Westphalia, which includes that grimy power house, the Ruhr, gives the party a more progressive political tone. In the American zone, Dr. Josef Müller, a clever lawyer, has a history which runs back into Admiral Canaris' counter-intelligence organization against Hitler.

The Soviet zone of Germany is one of the places where Christian Democrats have fought most bitterly to hold off Communist pressure. There, the head of the CDU is that Jakob Kaiser who was dethroned a year ago, under the aegis of the occupying power.

The chief danger feared by various Christian Democrat leaders in Germany is that their party should be weakened by the splintering off of dissident groups. In the South this has already happened with the Bavarian Party, at present in contact with General de Gaulle's movement across the Rhine. This danger seems particularly acute under a system of proportional representation. And it is for this reason that one section of Christian Democrat opinion has been keen to start the West German constituent assembly by nomination from the provinces *(Länder)* rather than by direct election.

As against this, however, Germany is certainly the next biggest real stronghold of Christian Democracy after Italy. The CDU in the British zone, furthermore, can probably count even on a certain amount of non-Catholic help. A good many Protestants would vote for it rather than any available alternative.

Holland

Catholic People's Party and Romme

Holland, on the other hand, is a country where the Protestants have at least one religiously political party of their own, the Christian Historical Union. And a definite change has taken place since the war in Catholic policy towards this Union. Up until 1940, it was normal for the two Catholic and Protestant groups to form the government coalition between them. Since the liberation, the Catholic People's Party has sought coalition with the Socialists instead, in order to show how progressive it is.

Few, perhaps, have been greatly deceived by this maneuver. For the party certainly embraces every normal political creed, and is, as a result, the strongest in Holland. It is ably led in the States General by Professor C. P. M. Romme. Though the government is now led by Dr. Willem Drees, the Catholics provided the last Prime Minister, Dr. L. J. N. Beel, now High Crown Representative out in troubled Indonesia.

Belgium

Social Christians and De Schrijver

In Belgium again the Christian Democrats have dropped their pre-war title of Catholic Party in favor of *Parti Social Chretien,* as in southern Germany. There is also a tiny party with the actual name Christian Democrat; but it amounts to little.

Belgian politics always have to balance on four feet instead of two, owing to the Flemmish-Walloon issue in addition to the usual Left versus Right. Most Social Christian support is drawn from Flemmish areas, led by Auguste De Schrijver.

As in their Benelux partner, Holland, the Belgian Catholics co-operate to form a coalition government with the Socialists. Liberals and Communists form the opposition. But the government alliance is perpetually uneasy, and not primarily because of any clash on economic politics. Two issues dominate Catholic - Socialist relationships—the king's return, and the hoary question of state subsidies to "free" (and so Catholic) schools.

Austria

The People's Party and Figl

Finally, there is one more country in Europe, with powerful Christian Democrats — Austria. There, the Catholics call themselves quite simply the Austrian People's Party. And, as the main party in the government coalition, their leader, Leopold Figl, is Chancellor.

The Vatican

Peacemaker with an ax to grind

Naturally, in all these countries, the new power of the Christian Democrats raises several questions. And as a result three broad facts emerge.

First, although the political heart of each of Europe's Catholic parties is not always in the same place, the relative bias is towards the Right, or at least away from the Left. This is inevitable and does not mean favoring the old Right of pre-war days, the Right of people who helped Hitler and Mussolini to power. But it does mean opposing the extreme forms of state socialism.

Second, it follows that Europe's Christian Democrats hold anti-Communism as their stock-in-trade. And the more progressive they are themselves, as in Belgium, the better equipped they are for the struggle. At the same time, some Catholics also call themselves Communist, and vice versa. And it is perhaps the task of the purist organizations—such as Catholic Action in Italy—rather than that of the main political parties to bring them back into the fold.

Third, of course, all this raises the double question of the role and policy of the Vatican. And the general answer here is that the Vatican hesitates to interfere. Its policy after all has always been to secure a *modus vivendi* with all governments, whatever their hue or record or intentions. The Church can afford to adopt the long view. It is prepared to wait.

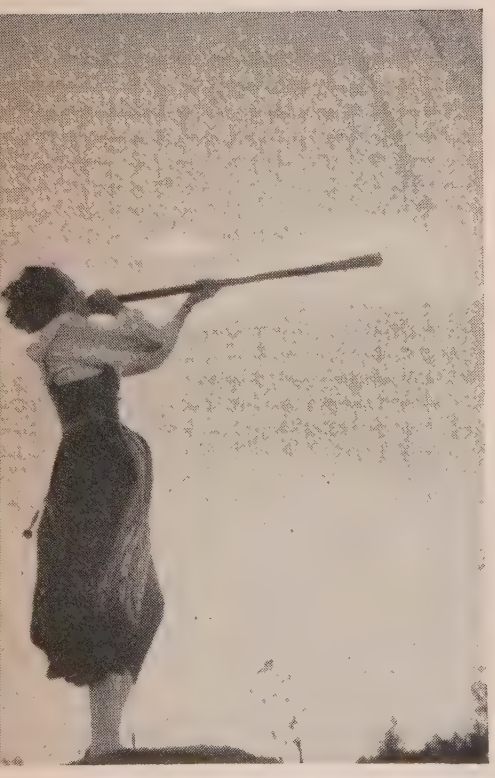
So it is that its members take their own line. But the line they take is based primarily on the fact that they are Catholics. This is their bond even if the Vatican is not their political headquarters.

BY COUNTESS MADELEINE HAMILTON

Land of Sun-Love

Of flowers and bonfires and spring's joyful rebirth

Sweden HALFWAY DOWN THE ROAD TO SUMMER —BARE-HAIRED AND SINGING IN THE DAWN—GREETS THE RETURING SPRING



SUMMER TWILIGHT and the farmer's daughter calls home the herd from the the summer pasture at milking time.

THE Swedish spring is unlike any other. It is an exuberant love affair between the sun and the earth, in which all life almost involuntarily takes part. It is an intoxicating feast of fragrance and color, of bursting buds and flowers, of dancing and singing, of continuously growing light.

Birds lose all sense of time and begin each day's mad serenading at three o'clock in the grey morning. The woodcock drums all day on the rain-wet mountain side. The lambs in lowland pastures bounce like India rubber balls beside their shaggy, sober dams.

The very earth gives off an irrepressible, rejuvenating power which surges through one's being like the quick sap in a young tree. Nowhere is the annual rebirth a more exultant experience than in Scandinavia, starved for sunshine after too many bleak and deadened months.

For the Swedes, spring begins not with the March equinox but halfway to summer. Its belated arrival is celebrated on April 30—*Valborgsmässoafton,* Swedish for Walpurgis night, an important, traditional festival.

Since time immemorial the Swedes have been avid worshippers of the sun.

More than 1000 years ago, pagan Vikings held their spring festivals at old Upsala, sacrificing to the sun god Balder and the fertile goddess Freja. Today big bonfires are still lit on the hill tops around the coast of Sweden on the eve of May 1. In the university town of Upsala, the students gather on the banks of the Fyris River and throw their worn winter hats into the slender black stream. Then they put on fresh white caps and march with torches through the town, singing gay, traditional spring songs.

NOT A NIGHT FOR MERE SLEEPING

In Stockholm the students' parade leads to the bonfire at Skansen, the outdoor museum park. Everywhere is singing and music. All restaurants are filled with dancing people. Early in the morning they will still be wandering through the streets, unable to go home in the colorful dawn.

Swedish life is a curious combination of town and country living. In the summer you find the cities de-

serted by townsmen while the country people flock in to see the urban sights. The well-to-do countrymen often keep up small apartments in Stockholm, where they spend a few weeks in both winter and summer seasons. The town and city dwellers who can afford it—and a great many can—have small cottages at the seaside or in the mountains for weekends and vacations. The Swede wants to live close to the sun, but also to the earth. And this, any proud male will tell you, is the secret of the extraordinary beauty and appeal of their women.

Most visitors to Sweden are drawn by the fascination of June's midsummer sun, and the joyous half-pagan festival which celebrates the annual triumph of the blessed light. But each year more tourists learn of the ardent Maytime and are coming to share with the sun-hungry Swedes their glad release from muffs and scarves and mittens and scratchy underwear.

If you come to Stockholm in early May you might still catch a formal evening at the Royal. This restaurant, with its enormously high ceiling, Moorish architecture and indoor garden with flowering roses, green grass and playing fountain, is a perfect setting for the fresh beauty and elegance of Swedish women.

The evening dresses of these willowy blonde creatures show unmistakably the influence of Paris. One of the leading dress makers in Stockholm is the "Salon de Couture" at Nordiska Kompaniet. Incidentally, this remarkable department store is known the world over for its imagination, taste and workmanship. Its textile and furniture shops receive orders for "Swedish Modern" from all corners of the globe, the latest from Madame Pandit for the new Indian Embassy in Moscow.

With the coming of May, life in Stockholm changes completely. The focus shifts from indoor to outdoor activities and informal social gatherings. The restaurants close their gala ball and dining rooms where formal attire is *de rigueur*, and put up glass enclosed sidewalk cafés which are called "verandas" by the Swedish.

MIDSUMMER EVE is observed by all ages with dances such as this, celebrating the triumph of light over darkness. Like the Maypole dance of Britain, it was originally a fertility, or "good luck," prayer employing an ancient phallic symbol.

Midsummer's once-pagan dance . . . Sweden's folk heritage

Land of Sun-Love *continued*

THIS IS SWEDEN—a white birch, a blonde girl, a clear sky, a low, bright sun and two sweaters, symbols of summer.

Do not be in a hurry when you settle down to a Swedish meal. To enjoy Sweden, you must bear in mind that any meal is a ritual, not a snack! Lunch may last two hours, dinner indefinitely. Meals are supposed to be devoted to the art of eating and to the art of conversation. The conversation will carry you over the long waiting periods and help you to forget that the waiter seems to have forgotten you. He hasn't. In time he will turn up, bearing food hot from the stove. Ready prepared dishes are not admired by Swedish chefs.

Restaurant Riche, around the corner from the Royal Dramatic Theatre, has food as good as before the war. It is expensive, but extremely attractive and the food is worth it, especially the smoked salmon. There is a grill and a main dining room, both popular with the literary and artistic set.

The Opera Cellar, which is no cellar though housed in the Opera, is another of Stockholm's most distinguished restaurants and the meeting place of the social set of Stockholm. Young Army, Navy and Air Force officers like to come here to dine and dance. So do the members of the Jockey Club. Spring is the season for horse racing at Ulriksdal, just outside Stockholm. The meets are held on Saturday and Sunday afternoons, drawing a gay, enthusiastic and elegant crowd.

ONE MUST KNOW HOW TO EAT AND DRINK IN SWEDEN

The Grand Hotel has two sidewalk cafés. The one to the right of the lobby, the less expensive and less formal one, is affectionately called "the poor man's veranda." It is crowded for lunch, tea and dinner and after dinner when people drop in for a drink. The soft music within goes well with the romantic twilight outside.

The formal veranda is a favorite with members of the Swedish Royal Family, the foreign and Swedish diplomatic corps, and visitors from abroad. On Wednesdays and Fridays there is dancing in the adjoining ball room.

Other places one long remembers are Rosenbad and Trianon. The latter is situated on an island in the North River, and its food and service are of the best in Stockholm. Konstnärsbuffén, which means the artists' restaurant, is small and intimate. Bellmansro, in the lovely park of Djurgarden, has a special charm and excellent food. So has the cellar of the Golden Peace, the oldest restaurant in Stockholm. This one is a real cellar. You find it in the old part of town, called Gamla Stan.

There is also Catelain, a bistro, which serves inexpensive, rich, delicious Swedish and Italian food. Here government officials come for lunch. For dinner foreign writers and visitors mix with young Swedish intellectuals, talking and drinking quantities of red wine.

The drinking practices of Swedes are ritualistic. The famous "akvavit" is served before dinner. But this drink of fire is no cocktail! When you drink it, do as the Swedes do. First they eat some herring, pota-

BLOSSOMTIME is wooing time on the campus of Upsala University. This photograph was made in the traditional trysting spot, near the belfry (right), where lovers have met for centuries. Both boy and girl wear the traditional "spring" cap.

toes, cheese and hard bread. Then they drink it in one or two, quick, tonsil-tingling swallows. Then they eat some more, at once.

When you are invited to a Swedish dinner party in a home, wine will be served with the main courses. But you just cannot sip it any time you choose. First the host must raise his glass and wish the guests welcome. If you are a woman, you must then wait to drink again until the man on your left raises his glass, bows to you and says "*Skal.*" In turn, the other men will do the same. You cannot initiate the "skal" with a man, but you can do it with any of the women you know well.

The hostess must drink with all the guests in turn, but nobody can "skal" the hostess.

At the dessert, the man to the hostess' left must make a speech, and on behalf of himself and the other guests, thank her for the dinner. The hostess then leads the way to the living room where the guests pass by her in file, shake hands with her and thank her again for the dinner. If it is the first time you are in her home or if you are the honored guest, it is considered good manners to write her a little note of thanks and send it with some flowers the following day.

The Swede would be as lost without sun as flowers. They are his joy and delight, his friends and his "postillion d'amour." They are his means of communication, of conveying to you all the warmth he feels, but cannot express. He fills his house with them, puts them out in the streets in enormous clay pots, plants them in the parks, around the railroad stations, hangs them outside the windows, showers you with them when you arrive and when you leave, puts them around the students' necks when they have taken their exams.

On the Eve of Midsummer, young country girls still pick seven different kinds of wild flowers before midnight and put them beneath their pillow.

The man the maid dreams of that night, tradition says, will be her future husband.

TELL YOUR FEET WHAT TO EXPECT

The best way to see Stockholm is to let one of your Swedish friends take you about. They love to do it. But be sure to wear walking shoes. Taxis are expensive and walking is part of the fun—an obligatory part if you want the Swedes to like you. They are as a people remarkably tolerant of most idiosyncracies but, if you are not prepared to follow them on foot for hours, they will look at you with hurt bewilderment and conclude that it is their city or themselves for which you lack enthusiasm.

First they will show you Gamla Stan, the old part of Stockholm. It is surrounded by water on all sides, truly a city within a city. As you wander through it, you will get a feeling of what a medieval town really was like. The streets are winding and narrow and the people seem unaffected by the modern rush.

On Gamla Stan's market square beyond the Royal Castle is a small dairy shop. It has been a place of pilgrimage for young and romantic Swedes ever since the 16th century. Four hundred years ago into this shop would come every day a maid in the service of a royal musician to buy milk for her master.

Her name was Karin Mansdotter and she was greatly admired for her beauty and graciousness. One day King Erik XIV saw Karin and fell in love with her. She returned his love and he had her move to the castle as the personal maid of his sister. Later King Erik married the serving maid in the face of most violent opposition. Because she was to remain loyal to her husband through the most tragic years of his reign and of his developing madness, Swedish history remembers Queen Karin not only as one of the most beautiful but also as one of the noblest women.

Pervading this little city within Stockholm is an atmosphere of medieval charm. One of the finest examples of the traditional sculptural group, "St. George and the Dragon," stands in the Gamla Stan church, Storkyrkan. The walls of Riddarholmchurch, burial place of Sweden's famous warrior kings, are bright with colored banners and crests. The simple lines of the 18th century Royal Castle may be disappointing at first. But once its graceful silhouette is viewed against the soft green evening sky, one understands the architect's aim and appreciates its realization.

One can, by pulling a few of the right strings, be permitted into the castle to see King Gustaf's famous collection of silver. In May and June the King spends most of his time in Stockholm and his presence is felt throughout the city. The bond between the people and their old king is strong and affectionate.

Tennis, which the 90-year-old King

Ten-Year Plan for Vacationists

It has been estimated that each member of an average American family going on a vacation (lasting as a rule two weeks) spends approximately $250 over normal living expenses. It is also estimated that 62 per cent of that amount comes out of current income, and the rest from savings.

On the basis of those figures here is how the average American family can plan to spend its vacations alternately at home, in American resorts and abroad:

1st year:	home. Saving, $250.
2nd year:	in Florida, California, or other US resort. Cost $250.
3rd year:	home. Saving, $250.
4th year:	1-week vacation near home. Saving, $125.
5th year:	England and France. Cost, $875.
6th year:	home. Saving, $250.
7th year:	American or Canadian resort. Cost, $250.
8th year:	home. Saving, $250.
9th year:	1 week's vacation at a nearby resort, Cost, $125.
10th year:	Switzerland, Italy, Sicily. Cost, $875.

Land of Sun-Love *continued*

gave up only recently, was for him more than just exercise. It was mental relaxation, which the monarch now finds in doing embroidery. When the King withdraws before dinner for a rest, it usually means a half hour's work at his *petit-point,* at which he is an accomplished artist, and which is still one of his favorite pastimes.

So are the opera and the theater. In the spring, the opera puts on its gay face and its repertoire carries the classical grand operettas like the "Merry Widow" and "The Gypsy Baron."

The Swedish Opera has been the birthplace of world famous singers like Jenny Lind and Kristina Nilsson, and in our time Jussi Björling, Hjördis Schymberg, Gertrud Palsson-Wettergren, Set Svanholm and others. The School of the Royal Dramatic Theater has fostered such famous actresses as Greta Garbo, Ingrid Bergman, Signe Hasso and Viveca Lindfors, all of whom were graduated there.

To enter this Academy is the dream of all stagestruck youngsters, though it means years of strenuous work. Aside from acting, the students study voice and diction, the history of literature, the history of the theater, dancing, rhythmics, posture, fencing and make-up. Classes begin at nine in the morning and continue until about five, sometimes later. The Academy operates nine months of the year, from August until May and, though the entrance requirements are strict, students are not infrequently expelled for lack of talent at the end of the first year.

The three-year Academy course is a severe training period, but its influence is felt throughout the Swedish theater. Even if you do not understand a word, a visit to a performance at the Royal Dramatic Theater will be rewarding.

THE SWEDISH MARRIAGE—TECHNOLOGY AND TRADITION

The social progress of Sweden has been studied from many angles, and its pragmatic democracy is rightly admired. Besides progressiveness and practicality, however, there is another and not less powerful streak in the Swedish character. This is the feelin of oneness with nature and the arde desire for beauty and creative se expression.

This current in Swedish life ma in time contribute greatly to o civilization: the harmonizing of high degree of mechanization with i dividual creativeness, of blending e panding industrial cities with natur When you come to Sweden you w see arts and crafts in vigorous deve opment side by side with mechanic mass production.

As you travel through the countr side you will find factories more an more fitting into their social and ge graphical surroundings, enriching th people by their production witho disturbing the balance of nature.

The Swedes know that man can g only so far away from nature—n further. If he does, he cuts himsel off from that which feeds and sus tains him and which, in its provoca tive beauty, inspires him. In th Northern Spring, which other me term summer, he experiences at thei strongest the forces of the ardent su and warm earth. And, as the drama of Light's conquest over Dark dis perses the night, he hears its echo i the thunderous response of his ow heart.

TRAVEL INTELLIGENCE

DENMARK prepares for the 1949 tourist season by inaugurating a new formula for accommodating visitors. Since hotel space is limited, the Office of Tourism has organized a service to provide accommodations in private houses with Danish families. This idea, born out of necessity, may well start a new trend in and concept of international tourism. In many countries it is very difficult for travelers to get really acquainted with the local people. The Danish initiative is an important step in the right direction.

PLANNING A TRIP?

UNITED NATIONS WORLD will be pleased to assist you if you will fill out the coupon below:

I PLAN TO TRAVEL TO: ( ) EUROPE ( ) AFRICA ( ) SOUTH AMERICA ( ) SCANDINAVIA ( ) CENTRAL AMERICA

Name: _____

Address: _____

City and State: _____

HOLLAND is organizing a month-long Music Festival for nex summer. Sponsors will be Queen Juliana and Prince Consort Ber nard. Performances will take place in Amsterdam and Scheveni starting June 15.

THE THIRTY-THIRD Swiss Industries Fair will take place i Basle from May 7 to 17. The Fair is officially represented abroad by Swiss Legations, Consular Representatives and Chambers o Commerce. A one-way ticket from any frontier station to Basle, i duly stamped on the Fair premises, will be valid for the return journey.

MEXICO CITY boasts of two comfortable new hotels, the 160-room Prince Hotel and the 600-room Hotel del Prado. Nine other new hotels are nearing completion. It is estimated that some 300,000 Americans vacationed in Mexico in 1948, spending 75 million dollars.

COMPREHENSIVE figures on North Atlantic passenger shipping for 1948 have been tabulated. A total of 635,102 passengers crossed the Atlantic both ways. Of this number, 251,342 traveled eastbound from North American ports to Europe, 383,760 westbound from Europe. Figures for tourist classes show a substantial gain over 1947—98,424 eastbound, and 132,857 westbound. The share of Canadian ports in the over-all figures: 33,713 eastbound, 94,492 westbound.

The Secret Of the Short Story

The French have a word for it

BY SEAN O'FAOLAIN

■ **Sean O'Faolain is considered by many as the greatest living writer of short stories. A collection of his best, selected by the author himself: "The Man Who Invented Sin," has just been published by Devin-Adair, New York.**

THE average reader—though I do not see why I should drag him into a discussion of the short story since he but rarely purchases volumes of short stories—the average reader probably thinks that any man who can tell a good story ought to be able to sell a great many vacuum sweepers: but could also, I have no doubt, be persuaded to believe that a novelist would make the worst possible salesman since he takes so very, very long to come to the point.

In practice it is quite the other way around. The writer of short stories has no capacity for persuasiveness. He does not try to persuade. He is like the writer of ghost stories in this: he relies on the public to accept his conventions right away. He has no time for background, heredity, history or other plausible explanations.

Here is the beginning, for example, of a tale by the American writer John O'Hara: "The place where everybody would end up before going home was Price's." Here is the start of a tale by William Saroyan: "I hadn't had a haircut for forty days and forty nights . . ." Obviously that man will not sell a Hoover in four hundred days and four hundred nights. The short story writer is always throwing himself on the mercy of his public. A housewife confronted by such a man might buy a flash of laughter, an emotion shared, a moment's mood, a sudden revelation, but nothing less mundane.

There was a time when husbands did not approve of novels in the home. Short stories are far more dangerous and subverting. I could imagine a woman after meeting Mr. William Saroyan at her front door, putting on her hat, banging the door (like Norah in *A Doll's House*) and offering to go with him to the ends of the earth—much to his dismay. But who could imagine any novelist affecting a woman like that?

One may see, at once, why it is not in the gift of every race to write good short stories. The German people, for one, rarely do. Thomas Mann wrote excellent long stories. His *Death in Venice* is a masterpiece: it is also a little novel. The Germans are very capable of emotion; but their emotion floods and drowns one.

One may see, by contrast, that the French ought to be the ideal writers of a shorter tale, and they have excelled in it. They have two gifts that are of the utmost value in this art; their emotional inflammability, lighting at a spark—that is, at the tiniest thing; and that gift of intellectual persistence which has given their language the word *constater*, meaning to establish the state or truth of a thing, to sum it up. Their stories sum up. One could imagine Maupassant saying: "*Pour constater* . . . I will tell you a story." Sum up Youth; a woman; Love; anything. Without that gift the other is inadequate.

The Italians are even more inflammable, but they have not the same intelligence, or the same relentlessness in pursuit of a conclusion, as everybody knows who has ever had a quarrel with an Italian; he will explode like an atom bomb, he will dissolve into good humor in a flash, like a child—it is what makes them so loveable. The relentlessness of the Frenchman sometimes makes him seem almost as tedious as a Teuton, a fate from which he will suddenly recover by arriving at a brilliant *constatation*.

One of the most intelligent things

The Secret of the Short Story *continued*

ever said about the French and English genius was said by Henry James in this connection. He was defending the English genius against the implications of Maupassant's relentless pursuit of human frailty. For to the French mind the opposite English gift of tolerance must often seem hypocrisy and perfidy. If a thing has to be said, it has to be said: that would be Maupassant's attitude.

To this Henry James replied that it is more common for the English to have the courage of their opinions and for the French to have the courage of their perceptions—with the reservation that the French tend to perceive too brutally, even to the exclusion of all indulgence, kindness or reticence; whereas it is in the English tradition to nourish the fruits of good-humor and *pietas*.

Yet, when the English writer does succeed in controling the short story medium, these qualities, which have made it so difficult for him to control it, enrich his success enormously. The best example I can give of this enrichment are the tales of A. E. Coppard, when he is at his best. A story like *The Higgler*, could have been written by nobody but an Englishman. It glows with domestic warmth like a rosy Beauty of Bath in the sticky heat of August.

Ever since Henry James' day, as he records, the American writer has been happier with the short story form than the English. He has also been nearer to the French than to the English in his relentless statement of the facts as he sees them; and, I suggest, it is this hard quality that has made American literature so popular among French writers today. The American writer likes to *constater*. It is true that this summations are never as sure, as cogent, as brilliant as those of the French. One is aware of both intellectual and emotional limitations in the work of men like Hemingway that seem to be not so much personal as racial. And this forces a reservation on us with regard to the success of Americans in the short story—namely, that they achieve oftener, and easier, but on a more elementary plane.

Of course, like all generalities, this is itself subject to reservation. That lovely story of Eudora Welty's, *A Worn Path*, has all the depth of a tale by any of the most sensitive Europeans; one could quote a dozen tales of the same order by Saroyan; but it is significant that Saroyan's reputation is far higher outside America than in it, and Miss Welty is probably more admired for her humorous stories, which are, indeed, of the first class.

Time was when anybody writing of the short story would either have begun or ended with the Russians. Now and again a Zoshchenko or a Romanov produces a tale that shows that the old skill and the old gifts have not wholly died; but its only now and again. Their humorous or tragic penetration was formerly unrivalled; they mingled mood, knowledge of the heart, intelligence, realism and lyricism as no other people did. I think their secret was that each man, in that vast and complex country, had to nourish his own individual soul more intensely than the writer needed to do elsewhere in Europe. And, when all is said and done, the essence of the short story is that it is an individual way of seeing and saying.

Chekov is the clearest example of this duality, and he has written so honestly about himself in his diari and letters that we can form a clea idea of his attitude to his work bot as a Russian and as a man. His ap proach may be summed by sayin that he was a doctor as well as writer; he had a lust to improve lif Had he been less of an artist thi might have made him a propagandis but he also knew, and said, that writer's business (as distinct fro a scientist's) is to ask questions, no to answer them.

And he was clear about what ques tions interested him: "My Holy o Holies is the human body, health mind, talent, inspiration, love an the most absolute freedom—freedom from violence and falsehood i whatever way they may be mani fested." There we have something a once personal and conditioned by race and region and history. This conditioning must be at work in the writers of every country in varying degrees.

I say "in varying degrees" because I think that it is even possible for the short story to be conditioned out of existence. The more firmly organized a country is the less room there is for the short story—for the intimate close-up, the odd slant, or the unique comment. When society is established into a tradition the novel flourishes; it becomes a form of history; but the short story does not flourish. In Russia before the Revolution, in Ireland today, in America still and for a long time to come, the disparities and varieties and incohesions of life are reflected in the incoherence of the literature of those countries, and the short story roves happily and inquisitively through their restlessness.

Maupassant is Maupassant; he is also France after 1870. Chekov is Russia in the eighties. Daudet's world will never return. Coppard's rural world is fast disappearing. One day Hemingway's America will be history, as Balzac's France is now. The race, the region and the time as seen in their work will then interest only social historians and literary historians, and what alone will interest the reader will be the personal quality of the writer.

But that personal quality did not come solely out of his own innards. He had collaborated with his race in the making of it. His stories are part of the record of his people. They are pages of his country's diary.

Recommended Books

REMEMBRANCE ROCK *by Carl Sandburg—Harcourt, Brace*

DOCTOR FAUSTUS *by Thomas Mann—Knopf*

ROOSEVELT AND HOPKINS *by R. E. Sherwood—Harper*

NORTH AFRICAN PRELUDE *by Galbraith Welch—Morrow*

NO PLACE TO HIDE *by David Bradley—Little, Brown*

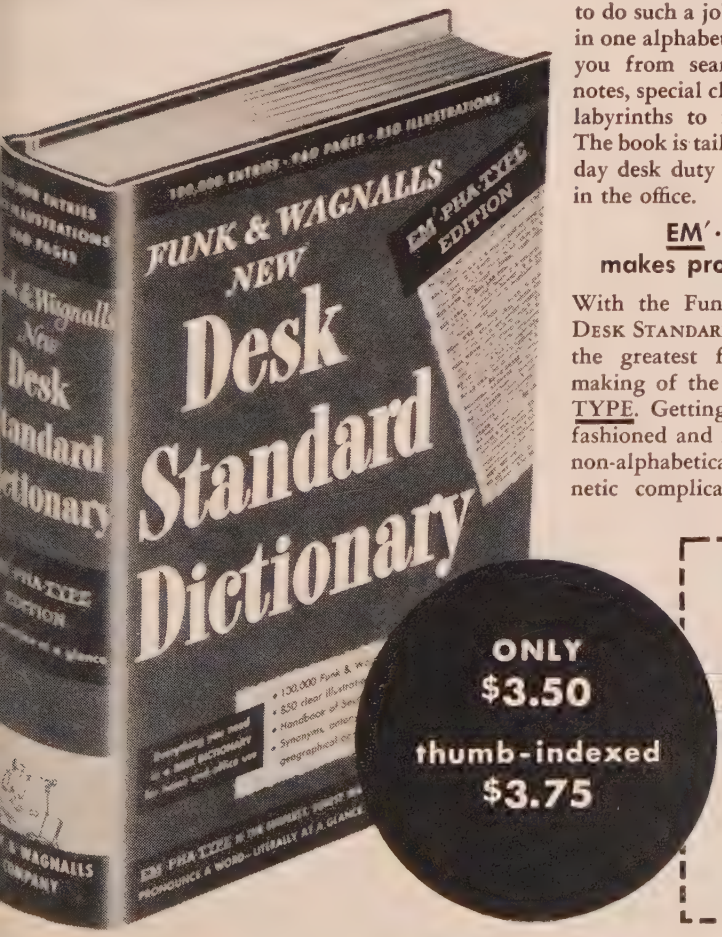
EVERYMAN'S UNITED NATIONS—*UN World-Funk & Wagnalls*

NO DICTIONARY AT ANYWHERE NEAR THE PRICE GIVES YOU THESE FEATURES

- **100,000 Funk & Wagnalls-tested definitions**
- **A big handbook of Secretarial Practice**
- **Synonyms, antonyms, abbreviations, biographical data**
- **An appendix of over 12,000 geographical names**
- **850 illustrations plus useful tables and lists**

and

EM′·PHA·TYPE the simplest, surest way of showing you how to pronounce a word—*literally at a glance.*



HERE is everything you need in a desk dictionary for home, office or school use. And it is at the lowest price ever for a big-sized dictionary. Just think of it—this is the newest, most up-to-date dictionary on the market, a big 950 page book, 6¼ x 9 inches in size, and it is priced lower than ordinary dictionaries which do not have the leading features that this great book contains.

Completely up-to-date

This is not a pre-war book, but a completely new volume, containing such modern words as *jet plane, atomic energy, jive* and *hep.* It includes such prominent living people as *Clement Attlee* and *Chiang Kai Shek,* and even lists *Israeli* which was not declared a state until May 1948.

The definitions given are accurate and clear—the result of fifty years of dictionary making which gives Funk & Wagnalls the "know how" to do such a job. All words are given in one alphabetical order which saves you from searching through footnotes, special classifications and other labyrinths to find what you want. The book is tailored for handy, everyday desk duty at home, in school or in the office.

EM′·PHA·TYPE makes pronunciation easy

With the Funk & Wagnalls NEW DESK STANDARD DICTIONARY you get the greatest feature in dictionary making of the century—EM′·PHA·TYPE. Getting away from the old-fashioned and hard to follow use of non-alphabetical symbols and phonetic complications used by ordinary dictionaries, EM′·PHA·TYPE shows you how to pronounce words *literally at a glance.*

Handbook of Secretarial Practice

One of the most valuable features of this big dictionary is a complete, 15 page Handbook of Secretarial Practice, giving full information on such things as capitalization, punctuation, business letter forms, proofreaders marks and dozens of other such material. This is another of the unique features that increases the usefulness of this book as a Desk Dictionary, putting at your fingertips the information you need on office procedure.

See it at your bookstore

The Funk & Wagnalls NEW DESK STANDARD DICTIONARY is sold in bookstores from coast to coast. Ask to see a copy and compare it with any other dictionary on the market for value and usefulness—and price. If you do not live convenient to a bookstore, you may use the coupon below for a ten day FREE examination of the book.

FUNK & WAGNALLS COMPANY UN3
153 East 24th Street, New York 10, N. Y.

Please send me a copy of Funk & Wagnalls NEW DESK STANDARD DICTIONARY in the edition I have checked. At the end of ten days I agree to remit the price, plus a few cents postage, or return the book postpaid.

☐ Regular edition $3.50 ☐ Thumb index $3.75

If remittance is enclosed, we will pay the postage. Same return privilege, of course.

NAME .....

ADDRESS .....

CITY ..... ZONE ..... STATE .....

POSITION .....

COMPANY .....

Eyes South

To the lands beyond the Rio Grande

BY EARLE K. JAMES

Author of "Church and State in Mexico," lecturer in Latin American affairs at the New School for Social Research.

ROVING SOUTH: RIO GRANDE TO PATAGONIA

by Willard Price. **New York, The John Day Company. $5.00.**

SOUTHERN EMPIRE: BRAZIL

by Bertita Harding. **Invitation to Travel Series. New York, Coward-McCann, Inc. $4.00.**

THE LONG LAND: CHILE

by Carleton Beals. **Invitation to Travel Series. New York, Coward-McCann, Inc., $4.00.**

LET'S GO TO COLOMBIA

by Lyman and Ellen Judson. **New York, Harper & Brothers. $4.00.**

LATIN AMERICA

by William Lytle Schurz. **New York, E. P. Dutton & Co., Inc. $4.50.**

LATIN AMERICA: CONTINENT IN CRISIS

by Ray Josephs. **New York, Random House. $4.50.**

FISHING IN MEXICO

by Hart Stilwell. **New York, Alfred A. Knopf. $4.50.**

Latin America's republics make up more than a third of the United Nations membership. World awareness of their political role has sharpened interest in other aspects of the 20 American nations where Spanish, Portuguese and French language and literature set the tone of New World culture. In consequence, publishers have been increasing the quantity—and in notable cases the quality—of books about the Latin lands.

Travel possibilities account for some of the volumes. Willard Price, who for years was introducing the Orient to Americans, has now made the grand tour and in *Roving South* brings us a travelogue crammed with first impressions garnered from the Rio Grande to Patagonia.

Mr. Price not only writes in a most readable manner but he delights in the believe-it-or-not type of data. Thus he reports on Lake Nicaragua which, though freshwater, has salt water fish, including sharks. He enters the extinct volcano that is the source of El Teniente's copper to find a waterfall inside, three times the height of Niagara. He retells gruesome stories of the "headhunters" of Ecuador, who turn out to be the very peaceable and friendly Jívaros whose reverent ceremonial treatment of the dead has provided earlier explorers with such excellent copy. In Brazil he sees oranges big as footballs, ancestors of the navel orange of California fame.

Of a different nature are volumes which aim at guiding travel rather than merely reporting it. One of these, Bertita Harding's *Southern Empire: Brazil,* is a serviceable introduction to a land larger than the United States. There are many things to stir one in Brazil, not least the bold projects to conquer almost unknown hinterlands (work now to be aided by the International Institute of the Hylean Amazon, in co-operation with UNESCO), in the course of which unarmed explorers must make friends with hostile Indians.

But a guide book should not encourage a visitor's undertaking such adventures, and Miss Harding wisely steers her prospects to the glamorous cities and resorts of the Atlantic, where they may bask in "ultraluxurious effects" and all that is "chichi" and "very chic." Or to the spas, whi seem able to cure every ill.

In the same "Invitation to Travel Serie is Carleton Beals' book, *The Long Lan Chile.* It is essentially a report on the fa spanning trip from the northern deserts southern fjords of that unique land, wi emphasis on the Santiago area. The mo is very much that of the tourists. The stre is on sights and history, calling attenti to lakes and forests whose beauty riva any the rest of the world can offer. But t book is regrettably marred by errors, ev the name of one of Chile's leading citi being consistently mis-spelled.

Lyman and Ellen Judson's *Let's Go Colombia*—in contrast to Mr. Beals' book bats a thousand in the correct handling Spanish.

Aviation has been opening up Colombi For the traveler going there the Judson have put out almost a model guide boo carefully wrought, well mapped, consiste in its purpose which is to help the visit get around and know the country. Strang ly enough, it is also more readable tha some books aiming to please the armcha as well as the actual traveler.

Fishing in Mexico by Hart Stilwell tel of fishing for sail and tarpon—or even bas —in ways that made this reviewer reluctan to put the book down. Even more, as h writes of his art he also lets us know o Mexicans, and of aspects of their countr we seldom hear of. The book encourage the brilliant idea that international good will might be fostered by having Pan-Amer ican and United Nations agencies financ expeditions of fishermen all over the globe The idea died aborning. Mr. Stilwell him self chilled it.

"If you go to the Canadian north wood and employ an Indian guide," he writes "you are perhaps intrigued and ever charmed if he speaks a language differen from yours and you must use a sign lan guage to converse with him. You do no look down on him. This happy situation does not always exist in the relationship between angler and guide in Mexico."

Too true. Mr. Stilwell is after all a unique man. He not only finds adventure in fishing in Mexico, he also finds friends

Weightier aspects of Latin America's living are the concern of William Lytle Schurz and Ray Josephs.

Schurz's *Latin America*, first issued in 1941, now out in a revised edition, has proved useful in its offering of basic facts about geography, politics, economics, and culture of our neighbors. As an aid in popularizing such knowledge we could wish for greater readability, deeper penetration in places and, in this revised edition, more than just a brief paragraph on Latin America and the United Nations.

More pertinent to the present scene is *Latin America: Continent in Crisis*, by Ray Josephs, who has visited all but one of South America's republics in the preparation of his new book. His studious approach to present economics and politics makes for somewhat tough going, especially if the reader is not familiar with the field.

His frequent recourse to a telegraphic style now so popular for the compression of data, and the artificial diary structure of the book, also may discourage seekers of easy enlightenment.

Despite its flaws, however, the book contains much of prime importance to the understanding of Latin America. The succinct exposition of politics in the various countries helps dispel illusions as to the absence of serious issues and principles in our neighbors' political conflicts. Of value, too, are the reports on communism, labor, and the institution often mentioned but seldom inquired into, the army. Much neglected Uruguay, which so long ago anticipated our New Deal, and which has been shaping a "third system" much more sensible than that of her Peronista neighbor, is fortunately the subject of a fairly extensive report.

Perhaps the most vivid impression, however, is of what Josephs calls the unquenchable dream of industrialization that stirs all these lands. There are two facts that must emerge from his or any other appraisal of Latin America. One is the individuality of the separate countries, even of their traditions. The problems in different areas are thus blended of different ingredients. But a common element comes in the second fact, the fact of change. Everywhere, Josephs makes clear, terrific stresses are wrenching Latin American societies. Involved in the shift from the old to the modern is the question of what kind of modernism and for whom. And in this struggle, industrialization is the hope of all but the upholders of the old agrarian oligarchies.

Industrialization seems the panacea for all of Latin America's ills, from Indian serfdom to the high cost of living, from dependence on foreign markets to the conspicuous consumption of the "chichi." It is a goal energizing the progams of Peronismo or communism, of the Apra in Peru or Acción Democrática in Venezuela. In places the technological strides already made are impressive, and modernistic cities gleam with a shine that makes ours tawdry. There is optimism as to the future, and even the Peron type of cocksureness that economic independence from foreigners, from the past, and its ills has been achieved.

But there is also pessimism reported by Josephs. Some nations feel they are living on borrowed time, fearing the present spurt of progress will disappear as pre-war sources of raw materials again supply the world. In others, the massive obstacles to reform seem unbudgeable, as with the Indian-based structures of Bolivia, Peru or Ecuador.

Nations are split by geographical barriers that result in regionalism and food shortages, barriers that can be overcome only by money and machines on a large scale, and these are unavailable. "Machines, machines, and more machines, that's what we need," was a cry Josephs heard often. But the United States, which so generously courted Latin America when war called for its support and resources, is now seen busy in other fields.

"The United States has let us down," the Latin Americans say, and they pressure the agencies of the UN for the economic and technical aid they seek. So the tensions seethe, and the saviours, the *politicos*, the soap-box orators and the men on horseback proclaim programs.

That South America is a continent in crisis, there is no doubt, and in movement so rapid the authors and publishers will have a hard time keeping abreast.

MORE LATIN

We Of The Americas
by Carlos Davila. New York, Ziff-Davis. $3.50.

The former President of Chile doesn't believe in the European orientation of US economics and politics. He adds up the staggering figures this country has spent for the rehabilitation and recovery of Europe since the war, and comments that in the long run it will have no beneficial effects on the interests of the United States while it will lead to a further pauperization of Latin America. Mr. Davila advocates "hemispheric integration." By this he means a balanced economic system whereby the agricultural and industrial production of all American states, the exports to and imports from each other, would be planned and harmonized on an intercontinental basis.

It is Mr. Davila's thesis that the Western Hemisphere missed its destiny when it failed to organize itself as an entity, ignoring the difficulties that utterly disparate and divergent social and economic backgrounds would have—and have—presented to such union. So ardent is Mr. Davila's wishful thinking for the future as well as the past that he apparently still hopes that the US can yet be lured back from global political and economic affairs to the cocoon of the Western Hemisphere.

Mr. Davila is a scintillating and erudite writer. His chapters on the comparative history of the Northern and Southern parts of this continent are analytical, thought-provoking, full of revealing information. Those who are interested in Latin American affairs will read *We Of The Americas* with profit and pleasure, whether or not they accept the author's conclusions.

TIBOR KOEVES

The Lost City of the Incas
by Hiram Bingham, New York, Duell, Sloan & Pearce, Inc. $5.00.

When Pizarro and his conquistadores conquered Peru in the 16th century, they shattered one of the most extraordinary civilizations ever raised by man. The mountain Empire of the Incas comprised about 10 million Indians and spread over Peru, Ecuador, northern Chile, Bolivia, and part of Argentina. Upon an economy of terraced agriculture fed by an admirable system of irrigation, the Incas created a semi-communistic state, and within this framework the genius of the people flowered. They fashioned beautiful pottery; they domesticated more food and medical plants, including the "Irish" potato, than any other people in the world; they made astronomical observations unknown in Europe. Luxury for the nobles, security for commoners was ensured. It was benevolent despotism, and many have praised it as the ideal state.

Because the Incas had no written language, all that is now known of them is pieced together by intrepid archaeologists who explore the hazardous land for ruins. In 1912 Hiram Bingham discovered Machu Picchu, one of the most beautiful of these sites. His book describes this exciting discovery, and tells the results of almost 40 years of painstaking evaluation of the material found there. Dr. Bingham is certain that this white granite city set against the splendor of the mountains was the last refuge of the Inca emperor against the Spanish onslaught.

This is a tale of high adventure. It adds a remarkable chapter to the ancient history of the New World.

BETTY STONES

POLITICS—OLD AND NEW

Western Political Thought
by John Bowle. New York, Oxford University Press. $5.00.

This important work on the history of political theory differs from most books on the subject in an essential respect. It presents the ideas of the great political theorists of the West in relation to the social and intellectual background of their times. Ideas here are not "eternal" mathematical abstractions but necessary and inevitable outgrowths of historic realities and evolutionary stages of human society.

This approach lends a new freshness to the analysis of the classical texts and at the same time traces sharply the logic in the evolution of political thought. The author examines and quotes extensively the outstanding political writers of Antiquity, the Middle Ages, the Renaissance and the Age of Rationalism. A second volume to follow will deal with the political theorists and theories of the nineteenth and twentieth centuries.

The Major Foreign Powers
by John C. Ranney and Gwendolen M. Carter. New York, Harcourt Brace. $7.50.

The subtitle of this book is "The Governments of Great Britain, France, the Soviet Union and China." But this solid volume

of over 250,000 words is more than a monumental study of comparative government. It offers what could be described as the natural history of the political life of the four great powers. The authors know well that institutions don't work in the void, and that technical discussions of governmental machineries, judiciary systems and political parties, however masterful and penetrating, are insufficient in themselves to explain the nature and functioning of political societies. As a consequence, they examine also such basic problems as education, social services, public opinion, labor and agrarian questions and note, at least in passing, all facts of importance in the organized lives of the four nations.

The amount of ground *The Major Foreign Powers* covers is staggering in its magnitude. Hundreds of items answering such questions as how England attacks the housing problem, how Communists distribute land in China, how wages are settled in Russia, make this study of comparative government a veritable social encyclopedia of our era.

Foreign Governments. The Dynamics of Politics Abroad.
Edited by Fritz Morstein Marx. New York, Prentice-Hall, $4.75.

A formidable array of authors—Mario Einaudi, Andrew Gyorgy, John N. Hazard, Henry P. Jordan, Paul M. A. Linebarger, John Brown Mason, Fritz Morstein Marx, W. Hardy Wickwar—collaborated in making this collective enterprise into a survey of inestimable value to students of international affairs. Its aim is to measure and appraise the political changes of revolutionary character brought about by World War II. The end result is a brilliant exposition of comparative political philosophy in action, as dynamic as it is readable. Definitive studies deal with the constitutional, governmental and administrati systems, the political forces and ideologi and the new political forces of Great Br ain, France, Italy, Scandinavia, German Austria, Switzerland, the USSR, the Da ubian countries, China, Japan, Mexico an Brazil.

TIBOR KOEV

Socialist Britain
by Francis Williams. New York, Viki Press. $3.00.

This, the first authoritative analysis of th philosophy and objectives of Britain's S cialist Government, is a book of impo tance. Mr. Williams' evaluations of Go ernment accomplishments may be on th optimistic side, but this must be expecte from Prime Minister Attlee's adviser o public relations. The author writes wit warmth and humor and his political ac men is equal to, say, America's Robe Sherwood. His character studies and int mate pictures of the key figures in the ca inet, his analysis of phases of British d mestic and foreign policy explain persona and official behavior which sometimes a pear to the average observer as inconsiste with the traditional program of the Labo Party. Of particular interest are the chap ters dealing with Britain and the USA an Britain and the USSR. Altogether a stimu lating contribution.

HARRY CRAVE

ARABIAN OIL

America's Stake in the Middle East

by Raymond F. Mikesell and Hollis B. Chenery

Top authorities in petroleum and middle eastern affairs present the first reasoned foreign petroleum policy for the future. A vital, up-to-date book on our most significant single foreign investment.

At all bookstores, $3.50

The University of North Carolina Press

HUMAN RIGHTS IN THE MODERN WORLD

By ARTHUR NORMAN HOLCOMBE
Eaton Professor of the Science of Government, Harvard University

A comparison of the proposed International Bill with our own Constitutional Freedoms.

"With scholarly objectivity, Professor Holcombe considers the American and Western European heritage of human rights and the gulf between it and Soviet ideology."—*Foreign Policy Bulletin.*

"Professor Holcombe exalts the grand vision but never lets it run away with itself. To put it differently, he performs all the necessary kitchen drudgery without ever losing sight of the fact that with the pots and pans available and with the ingredients at hand, he has found a way to make a good stew for some nations, with hopes that eventually there may be a modest pudding for all. But he makes no glowing promises and puts no fancy names on his menu."—*Christian Science Monitor.*

170 pages $3.75

NEW YORK UNIVERSITY PRESS
30 Washington Sq., New York 3, N. Y.

LITERARY INTELLIGENCE

THE TALK of literary Paris is *Voyage aux Horizons*—"A Trip to the Horizon"—a first novel by Pierre Fisson which has recently won the Theophraste-Renaudot Prize. It's a kind of bitter documentary picture of the present world, playing between Germany and Brazil, via New York and Mexico. Its heroes, men and women without roots and without hope, try desperately to find their way among the physical and spiritual ruins of the post-war years. . . . The winner of the Goncourt Prize is Maurice Druon, author of *Les Grandes Familles* . . . "The Great Families." The main characters of the clever and readable novel are old people living in Paris' aristocratic Faubourg Saint-Germain, between the two wars in an "end-of-the-world" atmosphere. Both authors were born in 1918, both are published by Editions Julliard.

THE ENGLISH are still a mysterious people to foreigners. Witness the simultaneous appearance in London of three volumes, by a Frenchman, an Indian and an American, respectively, Jean Bailhache, Ranjee Shahani and Jane Dorothy Ward. The titles: *The Secret of the English, The Amazing English,* and *English Enigma.*

BIOGRAPHICAL: Georges Bonnet, the "appeaser" in the French Cabinet at the outbreak of the war, has published the second and final volume of his self-justifying memoirs as a Foreign Minister: *Fin d'une Europe*—"The End of One Europe." Geneva, Bibliotheque du Cheval Aile. *David Lloyd George* by Malcolm Thomson is called "The Official Biography." Hutchinson, London.

A BULKY, dreamy novel, *Menzogna e sortilegio*—"Falsehood and Magic"—by Elsa Morante is the latest success in Italy. It is the complicated story of a decadent upper-class family in Sicily. The story is told by Elisa, a member of the clan, who tries to recreate the past in her imaginative and somewhat unhealthy mind. Elsa Morante is the wife of Alberto Moravia. Torino, Enaudi publishers.

YEARS OF WRATH will be the title of a great quarto volume of 300 cartoons by David Low covering the period from 1932 to 1945 to be published in April by Gollancz, London.

THE SECOND volume of Georges Sadoul's monumental history of the movies, *Les Pionniers du Cinema*—"The Pioneers of the Cinema"—has been published by Denoel, Paris. It embraces the period between 1897 and 1909. Thorold Dickinson and Catherine de la Roche have written an important study: "Soviet Cinema." Falcon Press, London.

THE MYSTERY which surrounded the death of Antoine de Saint-Exupery—he disappeared without a trace on a combat mission—has been solved recently. The former Chief of Staff of the Luftwaffe in Italy has notified the publishers of the great French writer that he was shot down into the Mediterranean by Nazi pursuit planes on July 31, 1944, off the coast of Corsica.

WORLD TRADE
MARCH, 1949

BRAZIL'S BIGGEST STEEL MILL—BUILT WITH US CAPITAL AT VOLTA REDONDA DURING WORLD WAR II

Telling the American Story *page 54*
BY HERBERT HARRIS *World Business Editor*

The Economic Anatomy of Brazil *page 44*

Britain Woos Dollar Capital *page 51*

The Economic Anatomy

Latin American paradox

THE BRAZILIANS ARE CHOKING THEMSELVES

TO SAVE THEMSELVES FROM BEING STRANGLED

WITH THE EASY-TO-GET IMPORTS THEY DON'T NEED

A Survey BY THE EDITORS OF THE AMERICAN AND BRITISH EDITIONS

"GOD must be a Brazilian." This proverb is perpetually repeated among the 50 million people who inhabit an area of 3,300,000 square miles to explain their land of startling, paradoxical splendour and squalor, abundance and scarcity.

God, it is argued, must be a Brazilian. Why else should He in His wisdom have heaped the fertile soil 50 feet deep; scattered with random lavishness the Tocantin nickel of a value too fabulous to calculate; why fructified the fields of coffee and castor beans in the production of which Brazil leads the world; made the 15 billion tons of iron ore in the Itabira richer than that of the famous Mesabi range; flung about crystals and precious stones, and gold and silver, diamonds and uranium; why cover half the land with thousands of miles of forest?

More recently Brazilians have been asking whatever economic gods there may be what has gone wrong with their trade with the US. At first glance, of course, the answer would seem to be that in May of 1948 Brazil clamped down extremely strict laws that confined imports to "essentials." During the first month (June 1948) of that new dispensation, imports from the US toppled from a 30-day average of $43,000,000 to $20,000,000.

Moreover, as against the trade loss in 1947 of 200 million dollars in dealings with the United States, Brazil's unfavorable balance in 1948 was only some 10 million dollars. This trend is not as healthy as it might appear for it derives from less Brazilian buying in the United States rather than more US buying from Brazil. In addition, by September, 1948, that whole trade trend was displaying some curious characteristics.

Although Brazil is the original home of rubber and the hevea trea flourishes there, it had bought $55,548 worth of rubber products from the US, and sold to the US market only $30,621 worth. Although a primary source of medicinal and pharmaceutical materials, Brazil sold only $126,640 worth of such products to the US and purchased $1,604,783.

Behind Brazil's foreign trade rigidities and its unfavorable balance of trade are the economic strains and stresses of its postwar readjustments. During World War II, aided by US dollars, Brazil made prodigious strides in industrial development. But its economy was split in two and suffered all the pangs of schizophrenia. It moved simultaneously in two different directions.

On the one hand it put money, mainly US money, into enterprises of lasting constructive usefulness, such as modernizing and enlarging its equipment to produce more coal and steel and cement.

On the other hand, Brazil concentrated on the production of martial supplies. It turned out, for example, 30 per cent of the manganese required by the Allies. But after VJ-Day, it was able to sell only 2 per cent of its output. It concentrated on turning out quartz for war industry in the US and the UK. But when the war ended, nobody wanted to buy

# of Brazil

Brazilian quartz any more. Brazil also concentrated on turning out rubber, but when the war was over, the UK turned again to Malaya, and the US to Malaya, Java and to its own synthetic plants to fill their rubber needs.

In short, a substantial sector of Brazilian industrialization, fostered by the war, served only to derange and dislocate its economy when hostilities ceased.

Moreover, while Brazil's wartime conversion of machinery and manpower was stimulated generally by the infusion of US dollars, its peacetime reconversion had to be carried out mainly at its own expense. Furthermore, in this process, Brazil lacked not only sufficient capital but also machine tools and fuels, and industrial apparatus. With its remaining dollar reserves, it sought to import these from the US.

But the US, busy with its own reconversion and beset on all sides by clamorous demands for capital goods, could not export to Brazil either the equipment or the lubricants it needed to maintain in peace the economic momentum and equilibrium it had gained in war. Even the dollars Brazil had left over from US loans and grants could not enable her to acquire the means of production without which she could not produce.

Under the circumstances, as Brazil's top-ranking economist Dr. José Garrido-Torres points out, Brazil spent her dwindling store of dollars for readymade US products and wares, which contributed little or nothing to the rebuilding and strengthening of the Brazilian economy. In 1947, for example, Brazil paid out to the US some 16 million dollars for wines and liquors—nearly three times the sum paid out for tractors, harvesters, and other critically needed farm equipment.

This buying spree, encouraged for a time by the government as an offset to inflation at home, ate up dollar reserves which might have replaced obsolescent plants and quickened the pace of industrialization generally.

Finally, says Garrido-Torres, the Brazilian leaders in both the political and economic spheres, agreed "either they had to shut the gates against this outward flow of dollars, and at the same time dam the inward flow of nonessentials, or else forego, for years to come, the national hope of building up a transportation network, a mechanized agriculture, and a modern industry on the basis of machines and machine tools imported from the US."

The outcome of this reasoning was the import restriction policy which Brazil has rigorously pursued during the last eight months, but this curtailment does not really begin to resolve Brazil's economic dilemmas. For partial solutions she has turned elsewhere. She has used frozen credits in the UK and France and Czechoslovakia to obtain metal-working and refinery equipment, as well as locomotives. She has entered into barter arrangements with Norway and Hungary, seeking to exchange her coffee and cotton and cocoa for the former's fish and the latter's textiles. And, since in Buenos Aires the Brazilian cruzeiros has a higher and firmer standing than in Chicago, Brazil is buying from Argentina the wheat and flour traditionally bought from the US.

In Washington and Wall Street, in Rio and in Pittsburgh, it has been frequently suggested that the US experiment with barter in its trade relations with Brazil as at least a pragmatic expedient. It has been urged that the US swap coal for Brazilian iron ore to piece out its domestic shortage; that the US military stockpiling program be speeded by exchanging punch presses and electric motors for uranium, mica, bauxite, tantalite, and other strategic minerals.

Still another scheme would have the US Government assign to private firms the task of supplying industrial and agricultural machinery to Brazil in exchange for crucial minerals, metals and raw materials. Under this plan, the US Government would take title to such imports, distribute them as it saw fit in terms of national policy, and reimburse private industry for the machinery shipped to Brazil.

Still another variation on this theme calls for shipping hides, coffee or cotton obtained in barter with Brazil to ERP countries with payment to be sanctioned by the ECA.

Over and beyond Brazil's external economic problems, her internal economy is still plagued by lack of transportation and capital.

Brazil is "open" to an extent greater than any other country. Tens and hundreds of miles of sheer distance wall off the Indians of the Amazon basin from the grain growers of the northeast, and separate both from the tobacco raisers and timber men on the eastern seaboard, and the cattlemen to the south. Brazil has moved with such speed from the age of the mule to that of the DC-4 that she has missed the stage of the railroad.

The lack of a rail network of any appreciable proportions explains why, despite 45 million head of cattle, grazing mainly on the uplands of Goyaz, Brazil is compelled to import meat. It explains why, despite the magnificent sugar plantations around Pernambuco, Brazil has very little sugar available to export. It explains in part, why, the income of the average Brazilian is one twentieth that of the average US citizen. This in turn retards that capital formation and accumulation without which Brazil must remain, in economic terms, only a green and golden promise unless it can attract and hold outside financial aid of the first magnitude.

STUDEBAKER, FORD, CASE—TRUCKS AND TRACTORS IN CRATES—ARE UNLOADED AT RIO DE JANEIRO. THE ROLL

US Trade Names In Braz

AN URGENT NATION DEMANDS AUTOS

AND ENGINES AND ROLLING STOCK

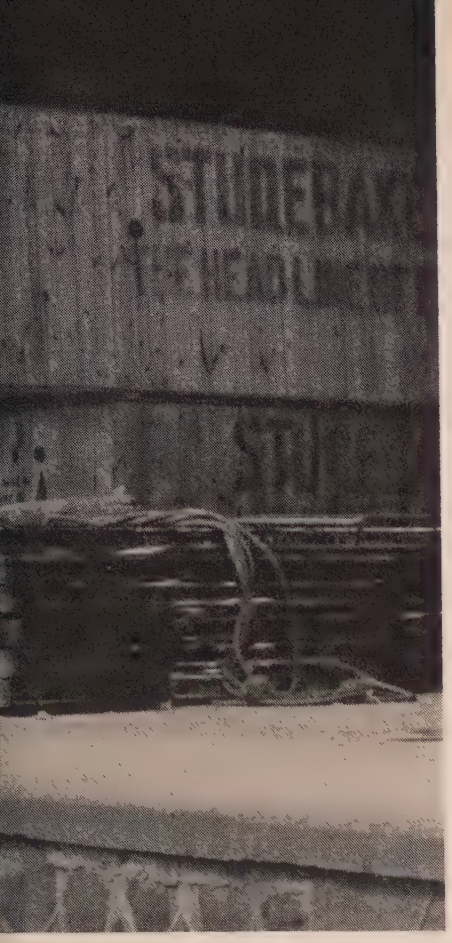
WITH WHICH TO BUILD A 20TH-CENTURY

ECONOMY IN A LAND OF TORRID JUNGLE

AND FRAGRANT COFFEE-BEARING UPLANDS

BRAZIL is a believe-it-or-not country. It is the only Portuguese nation in the West; it is the only one which was once a monarchy; it is larger than the United States. In the interior Indian hunters still employ bows and arrows—often against low-flying planes, occasionally against explorers. It is a primary products country, but its industrial production is nearly three times as great as its agricultural. Vast areas are unexplored. The UN's International Hylean Amazon Institute, now studying the area, is expected to provide data on which Brazil can better exploit its minerals, power, soil. And so become an ever-better market for the type of goods shown here.

INSULUX—glass blocks from Owens-Illinois will be built into one of Rio de Janeiro's new modern apartment buildings.



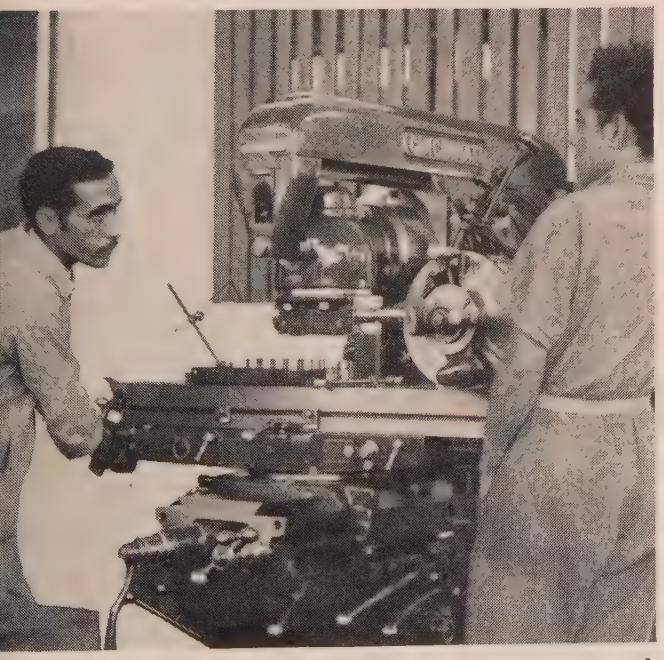
ENTER IS PRICE BROS. NEWSPRINT

Coffee by the bag—iron ore by the ton

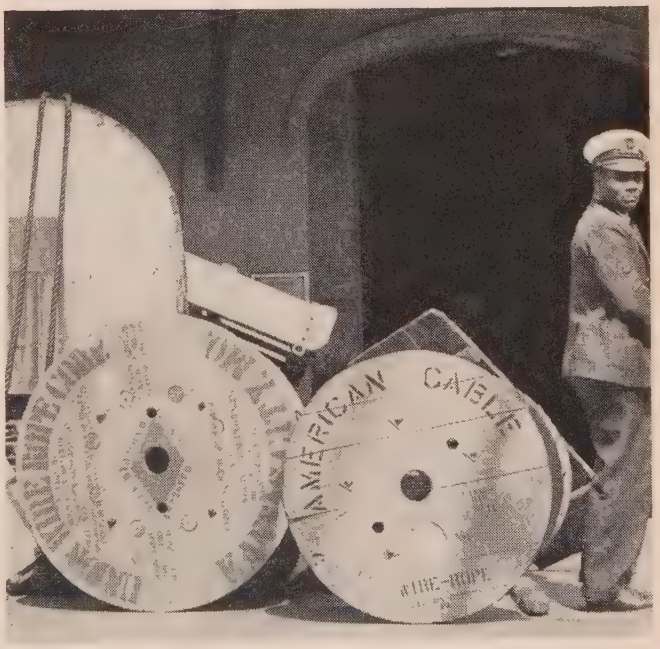
THE KNOWN export for which Brazil is famous is put into bags for shipment from Sao Paulo.

THE UNKNOWN export is iron ore—which Brazil would prefer to refine at home (see page 43).

A new industrial frontier



CINCINNATI—a machine tool from the US—is shown at work in the machine shop of the Brazilian Navy on Isla das Cobras.



UNION and AMERICAN—wire rope manufacturers in Kansas City and Wilkes-Barre, lay down spools on the pier at Rio.

Case Histories of North-South businesses

How Four US Firms Do Business

in Latin America

- *Willys-Overland*
- *Eagle Pencil*
- *V & E Kohnstamm*
- *Atlas*

WHETHER THEY ARE SELLING 4-WHEEL-DRIVE JEEPS

A SODA-POP SYRUP OR RUBBER TIRES,

INGENUITY AND GOOD WILL HELP SOLVE

THE PROBLEMS OF CURRENCY AND IMPORT REGULATIONS

BY L. A. GOLDSMITH

Commercial Expert on Latin America

DESPITE all the tales about dollar shortages and government controls and legal and tax and exchange difficulties and import licenses, the US is still doing a very healthy business with Latin America.

Indeed, while in 1939 total US exports to Latin America stood at 650 million dollars, in 1948 its exports to Latin America excluding Puerto Rico —were around four billion dollars, a 700 per cent increase.

This figure assumes even greater importance when compared with the total value of US exports in 1939—only $3,177,000,000.

Behind the presently flourishing US-Latin American export trade are the ingenuity and enterprise of American businessmen who refuse to be thwarted by currency hurdles or red tape tangles. Consider, for example, five brief case histories of US companies, four by name:

Willys-Overland

Look first at the Willys-Overland Export Corp., a subsidiary of the Willys-Overland Motor, Inc., of which Mr. James D. Mooney is president and chairman of the board. The export corporation sells about 18 per cent of the parent company's production in overseas markets, of which about one-third—that is 6 per cent of total production—is shipped to Latin American markets.

Willys-Overland makes a number of vehicles, passenger automobiles, business trucks and station wagons, but best-known is its Jeep. Since Willys-Overland resumed civilian production in September, 1946, it has shipped over 31,000 machines to Latin America and the Caribbean area. Venezuela, Cuba and Guatemala have no exchange restrictions nor import permits and are excellent markets for Willys-Overland. Venezuela is an especially good customer.

Prior to the recent drastic exchange restrictions instituted by Argentina, that country also was a heavy purchaser. So too was Colombia until March 13, 1947, when rigid import restrictions were imposed.

Other countries having neither exchange nor import permit requirements are the Dominican Republic, El Salvador, Haiti and Panama. Naturally where these restrictions do not exist dealing is easiest.

Countries which require both import and exchange permits are Bermuda, British West Indies, British Guiana, British Honduras, Chile, French West Indies, Netherlands West Indies and Peru. Another is Brazil. But there, in spite of rigid regulations, special preference in exchange and import permits has been granted to Willys-Overland, "because of the usefulness of its product"—primarily because of the agricultural uses to which the Jeep may be put. As a result, Brazil at the present time is the outstanding market for Willys-Overland products in Latin America.

Countries which require only an import permit are Bolivia, Colombia, Nicaragua, Uruguay, Mexico and Ecuador. Argentina heads the list where exchange permits only are required; the others being Costa Rica, Honduras and Paraguay.

Willys-Overland are convinced that the standing of the distributor is an important factor in obtaining both import and exchange permits. The well-established merchant dealing in imported products is generally in a position to state his case forcefully. He can clearly show the connection between his having merchandise to sell and making a profit and the government's collection of—or loss of revenue from—customs and taxes.

In Latin American countries which have plenty of sterling but lack dollars, "the people have to buy British cars out of necessity," comments a Willys-Overland spokesman. "In the majority of cases, however, their preference seems to be strongly in favor of the American product."

Latin American sales promotion through advertising is conducted in two media: Willys-Overland Export Corp. itself buys space in international magazines, and the distributor buys local advertising.

Payment by the Latin American distributors is on a cash basis mainly on letters of credit opened with US banks. This means cash in the United States before the date of shipment, except when special arrangements are made in individual cases. The distributors in turn are usually epuipped to handle installment sales though the larger part of their sales are also for cash.

▶ *Eagle Pencil*

The Eagle Pencil Co. of New York has been in business for 93 years and exporting its products to Latin America for 50—a goodly period in any business' lifetime. The company manufactures a complete line: writing pencils, drawing pencils, colored pencils, copying pencils, mechanical pencils, fountain pens, erasers, compasses, penholders and pen points.

Eagle Pencil officials consider all their markets in Latin America to be good ones—*in normal times.* Now they face the same difficulties of exchange allocations and import permits that others do. Even so—though they are not yet prepared to cite specific figures—they are doing considerably better business in Latin America today than in 1939.

Eagle sells its products through established wholesalers and retail stationery establishments. All carry the maker's trademark—a valuable emblem after five decades.

Eagle controls its own advertising in Latin America, handling it through a centralized advertising agency from New York. Any additional advertising that the dealers or distributors may do locally is on their own account. The Eagle Pencil Co. also buys space in trade papers emanating from the US and conducts regular direct mail campaigns.

The company maintains close contact with the Latin American markets having its Export Executives and salesmen from New York visit each country once a year or oftener if possible. Their competition stems mainly from other American manufacturers who also sell in those markets, although they do also have local com-

EAGLE PENCIL has made a character, Panchito, of its trademark bird for Latin-American advertising. This typical 7 x 10 inch ad advises dealers: "Always have Eagles in your showcases."

Advertisements that sell

V & E KOHNSTAMM, using as a symbol the grand parental founder of the firm, attracts potential customers by using this 5¼ x 7½-inch ad to tell how to mix and bottle a cola drink *(bebida gaseosa)* named "Essence of Kola Champagne."

petition from national manufacturers in Argentina, Brazil and Mexico. Their only European competition today is Swiss.

Their selling terms include the extension of credit generally on a sight draft basis from 30 or 60 days.

V & E Kohnstamm

V & E Kohnstamm, Inc., is a firm doing one of the most intelligent sales and business development jobs in Latin America. A "smaller firm" as its management terms their business, Kohnstamm manufactures under their own secret formulae, the essences or essential flavors for soft beverages. They also sell equipment and supplies for the bottling trade.

Fifty per cent of Kohnstamm production is sold abroad. About two-thirds of the business is in Latin America. In normal times sales would be greater in other parts of the world, but intensive cultivation of Latin American markets during the war period made this area more attractive for postwar operations than others.

In fact, even in Latin America, current exchange restrictions and import licensing regulations make necessary adoption of extraordinary methods merely to maintain business at the level of '46 and '47.

One is careful analysis of each market. Another is careful watching of expenses. A third, more and better service. A fourth, the inauguration of selling certain markets on a royalty basis. (In some countries, such as Mexico and Brazil, where large bottling plants are available, the Kohnstamm firm will sell its formulae and make available technicians and sales promotion methods and procedures. Exchange allocations, which sometimes can be more readily obtained on royalties than on other payments, are made with exchange agency officials in advance.)

The Kohnstamms believe in giving their salesmen the right kind of tools to go after the business. They supply salesmen, when attached to their distributors plants, with automobiles to enable them to cover much more ground, visit more bottlers and dealers, obtain more sales per man hour of selling. They believe that this practice not only pays off in direct sales, but also in convincing their customers that they are doing business with one of the most alert and interested of North American manufacturers.

Another item: Victor Kohnstamm —the "V" of the firm—has paid his Latin American customers the courtesy of learning their languages—both Spanish and Portuguese. He thus is able to dispense with interpreters and get close to his customers' hearts as well as their purses.

The Kohnstamms do trade paper advertising in US trade publications, and put tremendous effort into their own well-ordered direct mail campaigns. They mail this material to a list of 5500 with—they report—extremely good results.

THE CASE OF THE BASHFUL BARTERERS

The company in this case history has requested that it be not named—for a reason which will become obvious. It is a very large company manufacturing a product which by some would be termed a luxury—by others only a semi-luxury—certainly an item not an every-day essential.

The product in question is also manufactured in the United Kingdom, and ranks as an important British export. The Latin American countries in question have plenty of sterling exchange. The American manufacturer was stopped cold in most of its Latin American markets.

This company had spent a large amount of money over a period of many years to advertise its product in Latin America. This investment it was felt, would be totally lost if the company stayed out of the markets for a year or more.

What to do?

The answer arrived at was barter.

Arrangements are now being made, and are, in fact, nearly consummated, with a few of the leading countries in Latin America which will permit Company "X" to import into the US certain products of the Latin American countries which have hitherto not had any market in the US. The proceeds of the sale of the Latin American products will be allocated to "X" Company as payments for its product which can then be sold in the Latin American markets.

Just how long such barter, involving allocations and exchanges will last, "X" does not know. Sooner or later, if a demand for the Latin American products is built up in the US, it is possible that a good portion of the dollar exchange made available may be ordered held for the Governments in question. On the other hand, it is also possible that, by such a time, world currencies may have become more readily convertible. At least "X" Company's market will have been kept open.

Atlas

The Atlas Supply Co. of Newark, N.J. (Standard Oil, New Jersey affiliate), is a producer of automotive and aviation equipment and accessories. It is not only engaged in export trade, but is developing world business—manufacturing abroad by themselves, and also licensing their product for manufacture in local factories abroad under the Atlas trademark.

They found themselves facing a serious problem in two of their major Latin American markets. They could not arrange to establish their own plant or commission a local manufacturer. So they worked out what might be termed a "triangular" arrangement. Discovering a European industrialist who had greater factory facilities in Latin America than he could use at the moment, they made an arrangement whereby the European is licensed as the "local" manufacturer. The Atlas customers continue to be supplied with Atlas products produced locally. The Atlas Company receives the dollar exchange covering royalty or licensing profits. The European manufacturer utilizes factory space and workman's labor otherwise wasted. Everyone makes more money, everybody's happy.

These five short reports establish incontrovertibly two facts: that Latin America wants US products, that US exporters can overcome the difficulties of trading to the South. Perhaps out of all the difficulties new techniques are being worked out which will promote progress and prosperity for many Latin and North Americans. As the Spanish-speaking say, *quien sabe!*

A British Answer to Emil Schram

England Woos the Dollar

FOUR FIFTHS OF ALL BUSINESSES ARE OWNED BY PRIVATE ENTERPRISERS AND CAPITAL IS SAFER—EARNING SURER, LARGER DIVIDENDS—THAN BEFORE LABOR TOOK OVER CONTROL OF BRITAIN'S ECONOMY

■ In the January issue of UNW, Emil Schram, president of the New York Stock Exchange, cited "legislative obstructions" as discouraging US investment in UK industries. In this article, BBC's financial authority seeks to refute that charge.

BY ANDREW SHONFIELD
Economics expert for BBC

SCOTS AT WORK IN US NATIONAL CASH REGISTER PLANT IN DUNDEE

THE first point to be observed about American investments in Britain is that Britain's recovery depends to an overwhelming extent upon dollars. United Kingdom industry in its present phase of expansion both at home and abroad requires goods and services which are obtainable in the necessary quantities only in the United States or in the United States monetary area.

The second point is that the need for dollars for investment purposes is not a temporary phenomenon due to special economic difficulties Britain has encountered in the immediate postwar period. It will continue for several years, well after the Marshall Plan comes to an end.

Thirdly, these dollar investments, although vitally important to enlarge certain strategic sectors of the economy, are essentially a marginal requirement. The bulk of UK capital will continue to come out of UK's own savings. It is still true, however, that the United States share, which it is hoped will be forthcoming, may be decisive from the point of view of the speed of recovery.

To say that a thing is "marginal" is a *quantitative* judgment only; it tells one nothing about its *qualitative* effects. After all, the whole of the Marshall Plan is marginal, too; the total value of United States aid is equivalent to no more than 5 per cent of Western Europe's own output.

For instance, last year the Shell

British Answer *continued*

group of oil companies laid plans for large-scale development of their properties in the Western Hemisphere.

But they found that there was not enough of the necessary steel and equipment available from United Kingdom production after other export commitments had been met. And there were not enough dollars in reserve, either, which could be spent on buying the goods from the only other possible source—the United States. So it looked as though Shell might have to postpone this project, which would have meant that a sure earner of dollars—for the oil was intended for sale in the United States market—would have remained unrealized. Britain would thus have been prevented by the immediate shortage of the right sort of currency from taking an obvious and useful step towards solving her chief economic problem. However, United States private capital prevented that from happening. The firm of Morgan Stanley in New York arranged for a loan of £62,500,000—in dollars—and the work was able to go ahead.

NO CAPITAL INVESTOR LOVES A LABORITE

Since Britain needs a continued flow of United States capital to accelerate the pace of her recovery, she must obviously try to create the conditions which will make United Kingdom industry an attractive field for the United States investor.

It has been claimed in some business quarters that this is precisely what she has not done. Britain, it has been said, would from a purely economic point of view be a good investor's risk today, but her politics spoil everything. How can a businessman be expected to venture his capital in a country with a Labor government? Given the present political setup in Britain, can he ever feel that his money is safe?

This is a serious criticism, and it is my purpose here to examine it in some detail.

No doubt any Labor government is bound to be unpopular with the commercial community, at home as well as abroad. The entrepreneur feels instinctively that it threatens him. However, if he is sensible, he will not allow this first instinctive reaction to develop into a permanent political neurosis.

Britain's Labor Government is no more popular with the average businessman in the City of London than it is with his opposite number on Wall Street. But that has not brought the investments of British capital during the life of the present Parliament to a stop. On the contrary, in the period since 1945, when the Labor Government came to power, a mass of new capital has passed through the London financial houses, and the banks have increased the volume of their loans to industry up to a level never reached before.

Moreover, profits and dividends paid to overseas investors are now both high and regular. They reached an annual rate of £118 million in the first half of 1948. This compares with £102 million in 1947, £80 million in 1946 and only £30 million in 1938. This record is a reliable measure of Britain's profitableness for overseas investors.

The Financial Times Index of Ordinary Shares has varied between 126 and 147 since the present Government assumed power. In the year before it dropped as low as 105. The base year was 1935. It would thus appear that the present Government does not have an adverse effect on the price of industrial shares, and the risk element has not been increased as a result of the war or changing political circumstances.

REMINGTON BETS ON BRITAIN

Since the war, several American firms have considered Britain a good place for capital investment and have set up factories there. National Cash Register and Remington are examples. The former started its factory in Dundee with Government encouragement, receiving cooperative consideration for allocations, etc. It now employs 850 persons and is expanding further.

I am not suggesting that the advent of the Labor Government was directly responsible for this expansive mood; but it is clear at any rate that it could not destroy it.

The truth is, of course, that the ordinary investor is not nearly so lily-livered as he has been made out to be. He may not like a government which nationalizes the coal mines, the public utilities, and proposes to nationalize the steel industry. But so long as that government shows clearly that it recognizes, without qualification, the right of the expropriated owner to full compensation, the threat of nationalization does not enter as a serious factor into his investment behavior.

The principle of compensation on the basis of Stock Exchange values—which the United Kingdom Government has adopted—means that the individual stockholder cannot lose his money. The worst that can happen is that he fails to realize the gain that he hoped to make later on.

THE REAL QUESTION: IS ENGLAND SECURE?

Stability is the most important concern, in foreign as well as domestic investment. The first question that an investor will ask is: Is this country in which I am venturing my capital economically secure? His second question will be: Is it politically secure, so that I can be assured that my property will not be either destroyed or stolen from me? On any calculation, Britain must be regarded as an exceptionally good risk to a foreign investor whose business sense has not been hopelessly distorted by ideological considerations.

Indeed the conditions which he is offered today would have appeared almost impossibly favorable to the British investors in the 19th Century who ventured their capital year after year in the Western Hemisphere, despite the political uncertainties which existed in South America—and, for that matter, in North America too.

The prospect of sudden default and the intermittent discrimination against foreigners which they had to face then, were much more serious matters than the possibility—which United States investors are alleged to fear today—that the United Kingdom Government might decide to buy them out and return their money to them.

The truth is that the threat from socialism—at least from socialism of the Western Democratic variety—is nothing compared with the threat

which the foreign investor has always had to take into his reckoning, from the growth of extreme nationalistic policies in the countries where he is active. It is this that he must fear above all.

When eight of the Latin American republics at the Bogota Conference in April, 1948, entered reservations to Article 25 of the Economic Charter—which guaranteed no discrimination against foreign capital and the payment of a fair price for any expropriated properties—they were actuated by simple old-fashioned nationalist motives, and not by socialist theory.

Even Britain in its full capitalist heyday was not always entirely free from this particular taint. When a group of British shareholders of General Electric Limited at a meeting in London in 1928 tried to deprive their United States colleagues—who held the majority of the shares at that time—of their voting rights in the Company, they were not prompted by any considerations of political ideology. Though they were prevented from carrying out their plan, at least the incident should serve as a salutary reminder that the foreign investor sometimes has more to fear from the actions of his fellow capitalists abroad than from the policies of their governments.

Suspicions of good faith are alleged to have been aroused among foreign investors by the Labor Government's latest move to nationalize the steel industry. It is not clear, in any case, why the nationalization of steel should be regarded as a special deterrent, in the sense that the earlier nationalization of the coal mines or the public utilities was not.

The fear of nationalization has been exaggerated. Under the democratic system in Britain, nothing is nationalized unless it is fully discussed in public and becomes officially adopted in the platform. The last three and one-half years have offered no surprises.

Within the next few months the Labor Party's platform for the election will be adopted. On this, entrepreneurs will be able to base their judgments for the next five years, because it will represent the maximum extension of Government activity which is likely. Thus no entrepreneur need be "caught short" by getting into an industry which unexpectedly becomes nationalized.

In any case compensation has been so generous in the past as virtually to eliminate the possibility of nationalization causing financial loss. In fact, in industries nationalized so far, the announcement of the introduction of the appropriate Bill in Parliament has always been accompanied by a marked increase of the industrial shares in that field.

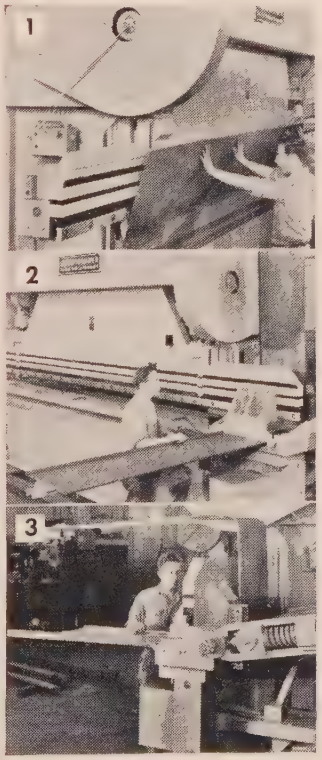
Furthermore, it is important to keep in mind that 80 per cent of British industry still remains in private hands—an extensive area for private investment.

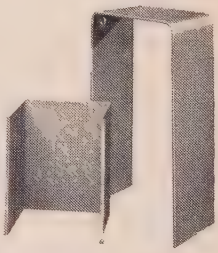
The present Government's view is that certain basic elements in the country's economic life ought to be directly controlled by the state and should be shaped to serve national purposes which are not necessarily consistent with the maximization of profits. The view may be mistaken; but at least it has been openly and frequently proclaimed from the start.

The nationalization of steel is no new and sudden departure from it. It is unlikely that this will now cause the foreign investor, who has had his eye on the opportunities offered by the British capital market, to retire in shocked surprise.

Hold Your Foreign Markets

with low cost packaged machinery units





Alert manufacturers of refrigerators, ranges, heaters, etc., can now hold their foreign markets and greatly reduce necessary dollar exchange by setting up small plants in foreign countries to form metal cabinets, using BATH Press Brakes with tangent bending attachments.

Under this plan, U. S. factories supply motors, compressors, etc., and assembly is completed in the country where the cabinets are formed with this low cost equipment.

Photos show (1) flanging sides of flat sheet, (2) bending first top corner, (3) bending second corner.

Write for complete details.

The CYRIL BATH Company

7016 MACHINERY AVENUE • CLEVELAND 3, OHIO, U.S.A.

Telling the American Story

What the US economy means in world affairs

IT ISN'T IMPERIALISM—IT ISN'T LAND- OR POWER-HUNGRY—AND NEITHER IS IT MISSIONARY DO-GOODISM US BUSINESSES ARE SIMPLY SEEKERS OF PROFIT THAT KNOW THERE'S MONEY IN RAISING OTHER PEOPLE'S LIVING STANDARDS

BY HERBERT HARRIS
UNW's World Business Editor

THREE major mistakes are being made in telling the story of the US economy's impact overseas. Unless these errors are soon rectified, America will not be able to counteract successfully anti-American propaganda aimed against the influence of US ways of work and wealth abroad as well as at home. With perverse and pernicious effectiveness that propaganda portrays every US effort to stabilize and strengthen the world economy for peace, as "imperialistic aggression," undertaken by a government enslaved to a "clique of industrial monopolists" and "financial barons of Wall Street" determined to reduce all other nations to semi-colonial status, at the very least.

The first mistake made in answering these charges is that of the perfectionist, the lily-gilder, the whitewasher. He too often depicts US economic civilization as flawless, as having attained to a final frozen stage of the paradisiacal. Obviously this is not so, and to claim it is only to alienate other peoples. It implies, by contrast, that their traditions and methods of getting the job done are necessarily inferior. It stiffens their resistance and at the same time causes their national pride to swell in defensive fashion, closing their minds against authentic values that the US, in its economic philosophy and practices, has to offer.

This is an imbecile situation which derives from a kind of slide-rule snobbism.

This also is an unnecessary situation; for the American economic story, despite defects and drawbacks and dreams turned nightmares, is such a good and strong and persuasive story that it needs no attempt to conceal or gloss over blemishes and imperfections. It can stand on its own with its virtues and deficiencies fully displayed. Like Cromwell's face, the US economy is best portrayed "warts and all."

The second mistake made by both public and private publicists is the resort to generalities that have all the stirring and inspiring effect of nembutal. To the European, Asian, African, Latin American, such terms as "the American way," or "free enterprise" or "capitalist democracy," or "individual initiative" or the "consumer's voting preference" are at best pious platitudes. Mainly they are meaningless. Other peoples generally lack the conditioning, the psychological and mental preparation to understand these semantic treasures which, to the American, call up associations as real and intimate as the memory of the bull frog croaking at dusk in the village pond, or his first baseball, or first date, or first job. It is doubly a paradox that the most practical and fact-minded of modern nations should in its international propaganda invoke such high-order, even mystical, abstractions.

The Soviet states make no such blunder. The Cominform in its economic proselytizing has taken the lead in turning our chief ideological asset to its own uses. It concentrates on specifics. Its propaganda is the propaganda of the concrete. Although the US forms the vanguard in applying science and invention to production of goods and services, in raising its own and world living standards by means of its managerial and technical skills and its mastery over the industrial arts, it is the Cominform which makes a ritualistic ceremony of the arrival of a tractor at a collective wheat farm in the Dunaköz of Hungary. It is the Cominform which stages a day-long pageant to celebrate the installation of a turbine to generate hydro-electric power from the Varna river in Bulgaria, or the laying of a new pipe-line from the Ploesti oilfields to Konstanza.

It is the Soviet Union which has

arrogated to itself the role, the compelling and attractive role, of assisting other peoples to lift living standards in under-developed or war-ravaged areas.

That much of this is more promise than performance is beside the point. What little performance exists is dramatized to such an extent that, in many places, Stakhanovism is a more familiar concept than US mass production. Tractors and turbines and pipe-line are, among many millions, considered uniquely Soviet commodities, if not Soviet inventions.

This is all the more ironic in view of the fact that no other nation in history has done so much as the US to help others raise their living standards. And this has been accomplished not alone by the relief and rehabilitation and reconstruction of Lend-Lease, the Marshall Plan, US participation in the UN, the World Bank and Fund, loans from the Export-Import Bank, Reciprocal Trade Agreements and the General Agreements on Tariffs and Trade.

US private investments and exports of US wares and methods were raising non-American living standards long before World War II. But then, as now, the chronicle of the momentous achievements of US private corporations in improving material well-being from Greenland to New Zealand has been set forth only in bits and pieces. It has never been set down in a coherent documented narrative for the world to see.

Now, more than ever before, Americans are concerned that the story be told. For the success of President Truman's "bold new program" which means the success of US foreign economic policy, depends not only on the ability of US industry to deliver. It depends also on getting other people to grasp the moral motivations behind the American performance.

The US government's assumption of responsibility for a more prosperous world is no more an exercise in altruism than the businessman's search for a profit. Both are animated by reasonably enlightened self-interest. They go together.

The merging partnership between government and business in enlarging the US position in foreign commerce is not a negation but an affirmation of the profit-purposes of the US economy.

In their foreign economic relations neither the US government nor US business represent an imperialistic drive for world dominion. Theirs is not a push for power any more than it is an adventure in do-goodism.

In the political sphere, the US government desires to foster higher living standards around the globe as a sure way to prevent both war and the spread of communism. This dovetails with the desire of the businessman, in the economic sphere, to make money. Neither US statesmen nor tycoons are by nature warriors or conquerors. They are alike products of a business civilization where the business of living is the prime concern.

The American businessman is a civilian seeking profit, and knowing that a constantly rising living standard is his best assurance of satisfying his need. The American military, despite its apparent ascendancy in periods of war and war tension, has always been, and will remain under the control of such civilians—in and out of politics. America has no Junker officer caste nor is it going to grow any. The preoccupation of US statesmen is, indubitably, peace—in which profit can be safely pursued.

Despite the Marxist shibboleths that distort thinking about US economic aims, the criterion of the US businessman is that he can make a higher profit from Indian customers with an average income of $150 instead of $100 a year. Yet American propaganda attempts have been retarded and rendered ineffectual by a curious, apologetic and even defensive note as if the idea of making profit as the result of foresight and initiative were faintly disreputable.

A very cogent case can be made for the contention that the American profit-motive, when harnessed to 20th century technology, offers higher promise for economic opportunity, security and advancement than any other competitive set of beliefs, habits and texture of techniques.

UNW editors are persuaded that this thesis is unassailably valid. Hence, this magazine, in subsequent issues, will seek to demonstrate—in concrete case-history fashion — that US industry, working alone or in cooperation with its government, has accomplished and will accomplish more than any other single agency in the world to promote the "good life" as translated into better food and clothing and shelter and lighting and transportation for other peoples.

This series will be available for distribution in several languages. It will survey in detail the ways in which the establishment of an American lamp factory in Brazil, or an oil refinery in Saudi-Arabia, or an office equipment plant in England, or exports of trucks and industrial machinery and locomotives and harvesters to countries everywhere have (1) raised community living standards, whether in the form of higher wages, salaries or other income or in increasing the productivity of the soil or mine or mill; (2) diffused the lore of American "know how" which is the fusion of technical knowledge with the resourcefulness and adaptability of minds molded in an atmosphere of free choice and free-willing and free-thinking; (3) opened up careers for talent and provided the chance for the personality growth and development for men of virtually all creeds, in all climes.

▶

"Americans must now understand that the United States has become, for better or worse, a wholly committed member of the world community. This has not happened by conscious choice; but it is a plain fact, and our only choice is whether or not to face it. For more than a generation, the increasing interrelation of American life with the life of the world has out-paced our thinking and our policy; our refusal to catch up with reality during these years was the major source of our considerable share of the responsibility for the catastrophe of World War II.

"It is the first condition of effective foreign policy that this nation put away forever any thought that America can be an island to herself. No private program and no public policy, in any sector of our national life, can now escape from the compelling fact that, if it is not framed with reference to the world, it is framed with perfect futility. This would be true if there were no such thing as nuclear fission, and if all the land eastward from Poland to the Pacific were under water. Atomic energy and Soviet Russia are merely the two most conspicuous present demonstrations of what we have at stake in world affairs. The attitude of isolationism—political or economic—must die; in all its many forms, the vain hope that we can live alone must be abandoned." Henry L. Stimson.

Russia's Iakov Malik

Plump, blond, bland and a big wheel at the UN

■ Since 1917 the United States and Britain have had 9 Foreign Secretaries each, while the Soviet Union, displaying an astonishing constancy had only three. A similar constancy has not been evident in Soviet diplomatic ranks. Gone are such stalwarts as Litvinov, Maisky, Sokolovsky, Rosenthal, Surich, Kollontay. Their places were taken by such newcomers as Sergeev, Chernychev, Valkov, Trebin, Kapustin, Yastrebov, Kolashenkov, Lifanov, Ziabkin, and an entire new generation, some of whom may already have been displaced. Only two, Gromyko and Gusev, have gained world fame. Iakov Malik is on the way. He entered the limelight when he replaced Gromyko as chief UN delegate of the USSR. The following article is based on the only interview he has given an American journalist.

BY NANCY H. MACLENNAN

"I AM A MAN OF PEACE."

The speaker was a 42-year-old diplomat from Moscow. The time was May 20, 1948. The place, a gangplank of the liner *Queen Mary*.

The dramatic platitude with which Iakov Aleksandrovich Malik introduced himself to the US and UN is still insisted on, despite the robust diatribes that his senior, First Deputy Foreign Minister Andrei Vyshinsky, flung at America in Paris during the General Assembly. Certainly the "peace offensive" of which Malik was vanguard is being pressed ever more strongly by the Kremlin.

Whatever else he may be, the Soviet's chief delegate to the UN is a man of magnetism. Smiling, blooming, merry and fit as a boxer. He is 5 feet 10 inches tall, straight, stocky. His face is broad, clean, slavonic. His blue eyes are set off to sparkling effect by his custom of wearing blue ties and blue suits, sometimes even periwinkle blue shirts.

Iakov (the English is Jacob) Malik is from the Ukraine, the fertile, densely populated, heavily industrialized, highly civilized Soviet Republic on the Black Sea. Here, in 1941, Russia was fiendishly bled by Hitler's armies. It took three years for the Red Army to recapture Malik's homeland. Millions of Ukrainians were killed, the great Dnieper Dam blown up, crops and animals, factories and mine tipples destroyed. After the war, the Ukraine was stricken by drought and famine.

The Ukraine is, also, the homeland of many thousands of "displaced persons" who refused to return to the Soviet Union after the war. It has long been the home of a separatist movement.

Ambassador Malik can never forget the tragedy his native land suffered in the war. Neither can he forgive it for mothering less ardent Communists than he. Ask him where he is from and he answers "Moscow!" Question him about the origin of his name and he replies "Russian." Eventually, of course, he will explain that originally he is from the 294-year-old city of Kharkov, second largest industrial city in the Ukraine; and admit that his name, in linguistic root, is Ukrainian.

Young Jacob Malik was only 11 years old at the time of the Bolshevik revolution. He grew up a protege of the new society, his childhood inheriting from the old era little more than the riverbank swimming holes which he still recalls fondly.

In Kharkov, he studied at the university, the Institute of People's Education, specializing in economics. Then, a youth of great promise, he was sent to Moscow, and in 1937 was graduated from the College of Diplomacy in the University of Moscow.

In the Foreign Office, his first post was Deputy Press Chief. In 1939 he went to Tokyo as counsellor of the Russian Embassy. On May 20, 1942, at the age of 36, he was appointed Ambassador to Japan. During the succeeding three years he maintained proper relations with the Japanese, did minor favors for British and American allies and was twice awarded the Order of Lenin "For successful fulfillment of government assignments during the Patriotic War."

Just before his return to Moscow, after V-J Day, Malik had a talk with General MacArthur. Then, on September 25, a few days after Malik had reported back at the Kremlin, his superior, Soviet Foreign Minister Vyacheslav M. Molotov publicly attacked American occupation policy in Japan, calling for the establishment of an Allied Control Commission to guide MacArthur.

This Molotov broadside might be called the overt beginning of the Cold War.

The only top Russian diplomat possessing first-hand knowledge of atomic warfare, Malik was in December of 1945 detailed to the historic session of the Council of Foreign Ministers in Moscow. It was here that the United States, Russia and Britain agreed to set up the UN Atomic Energy Commission. Afterward, Malik went back to Japan to serve as a political adviser to Lt. Gen. Kuzma N. Derevyanko, Russia's chief delegate to the Allied Council for Japan.

Seven months later Malik was reassigned to Moscow and promoted to the rank of Deputy Foreign Minister of the Soviet Union. At the same time—on the same day—Maxim Litvinov, Communist exponent of Russo-American collaboration, was "released" from similar rank.

Malik arrived at the UN when the cross-fire was heaviest in the Security Council's most cynical and significant debate to date—Palestine. Fortunately he did not have to sit immediately as the Soviet Union's representative at the Council's horseshoe debating table. For two full months he was given on-the-job training under Gromyko. At every meeting, Malik would sit in the green-upholstered chair directly behind his mentor, watching and exchanging whispers with the man who in the space of two years had cast more than 20 vetoes.

The personality of Gromyko, with his black hair and pale face, his deep dispassionate voice and rapier-like intelligence, had grown to dominate the Security Council in a macabre sort of way. Despite their political opposition to him, and despite what Sir Alexander Cadogan termed Gromyko's "vulgarity," the majority of the delegates had been forced to recognize Gromyko's parliamentary skill as an intellectual challenge.

One important element in Malik's character is that, though he speaks English almost fluently, as well as some French and Japanese, he is conditioned not to trust it. He probably does not believe a word that any American or Englishman utters in the United Nations. Moreover, he is unlikely to accept the fact that they even believe themselves. One day when Gromyko was making a speech in praise of good works, an exasperated, semi-professional, young diplomat from Australia scribbled an impertinent note to one of Mr. Gromyko's assistants: "His words would sound very fine if he didn't come from the most outrageous dictatorship in the world!"

The message was circulated among the USSR delegation, provoking lively interest. Immediately after the close of the Security Council meeting, a member of the USSR delegation cornered the young diplomat and asked with disarming candor: "Do you mean *you* really believe what *your* people say here?"

Jacob Malik brings to the USSR's seat in the UN Atomic Energy Commission a flatly realistic approach to the atomic problem. The thought of letting the UN inspect atomic power production installations inside the USSR is anathema to every Russian. Indeed, they say "nyet" to any "foreign" inspection of the Soviet Union.

Not long before he left Moscow for Lake Success, Malik himself twice refused an official United States request for visas for 11 US Senators.

"Since the Soviet Union is not among the countries which can be

Iakov Malik *continued*

subjected to an investigation on the part of American Senators, the trip of the above-mentioned group to the Soviet Union is not considered suitable."

Malik also was the first Russian to have a brush with ERP. On June 29, 1947, several days after Secretary of State Marshall made his famous suggestion of aid to Europe, representatives of France and Britain called on Malik in Moscow. They suggested that the Foreign Ministers of Russia, Britain and France should meet immediately, since the plight of Europe was "urgent," at some halfway point on the continent, to take leadership in discussing the financial and economic proposals of the American Secretary of State. Malik smiled his big, beautiful, inscrutable smile and replied that the USSR would give the idea "consideration." That reply has not been followed by further comment on the proposal, but by many bitter criticisms of the Plan itself.

Malik is, of course, victim as well as maker of the cold war. In the Delegates' Lounge at the UN, the USSR's chief delegate is constantly surrounded by a walking iron curtain. The first day Malik spent at Lake Success, a photographer lined him up beside Austin, the United States representative, and Cadogan, the British. The photographer's bulb flashed. That was the extent of the meeting.

Even though the practice of the Soviet Foreign Office tends to make its representative something of a robot, it is interesting to note the reactions of others to Malik as a man.

One western diplomat whispered: "I view Malik as an enemy of my country. He is part of a conspiracy to destroy democracy throughout the world." One American diplomat, struck by Malik's square build and buoyancy, said, "He looks like the center on the Green Bay Packers!"

Polish and Czech delegates called him "an amiable, highly intelligent, typical, career diplomat of Russia."

A visiting showman said Malik would not *send* the audiences as Gromyko had.

The UN press corps has besieged Malik for an interview but the answer—except in one case—has been a jovial but determined, "Nyet!"

Malik's wife and three children did not leave Russia with him. He expects to send for Mrs. Malik only after he has mastered his new political job here. Though proud of his family, he is loath to talk of his personal life and is somewhat shocked at being questioned on it. Malik's son, Urii, who is 17, is taller than his father, and he refers to his other son, Eugene, 10, as "Genie." His daughter, 4, is named Svetlana.

Malik likes to play tennis, as well as swim and row a boat, and sometimes just walk in the sun. On a fine day he likes to say, "I brought the good weather from Moscow!" In warm weather, you may see him at luncheon time, striding, almost marching, with the Soviet delegation, around the grounds of the United Nations.

In political conversation, Malik is cautious and keeps his imagination strictly within the harness of Communist dogma. Rather than say that he likes Americans, he will say, freely translating from the Russian Constitution, "Russian men like everybody, regardless of race, religion or nationality."

He won't say that any UN case is "more important" than another. To him, "all are important" equally.

One day a new acquaintance asked him, "Do you believe, Mr. Ambassador, that the United States and the Soviet Union can compose their differences?" Malik hesitated, then with a vague air, replied: "I suppose so."

For that one moment, Malik may have let down his guard. A "man of peace" by definition would have no doubt that peace was possible.

PLUMP—LEAN; pink—sallow; jovial—dour — these contrasting characteristics of Malik and Gromyko are evident here.

Two Faces of the Same Coin

PREVAILING MOOD: Malik arrived in the US all smiles, declaring he "liked Americans." Gromyko left in gloom, declaring he hoped he would never return to the US. When a UN clerk hands Malik a telephone message, he smiles, says "Thank you." Gromyko would respond as glumly as if the clerk were a bailiff.

TAILORING: Malik's Russian suits suggest the Oxford Bag Period, with bell-bottom trousers, short coat, sleeves wide at the cuff. Gromyko was skillfully tailored in the Western fashion. He favored black suits, French cuffs on his shirts.

INTRANSIGENCE: Gromyko refused even to discuss peace for Iran—he *walked out* of the Security Council. Malik has not refused to discuss anything.

VOICE: Malik's is undistinguished, average. Gromyko spoke in deep, Thor-like tones.

SARCASM: Gromyko's was polished: "The only feature which is missing from this plan is that at the head of this [atomic energy] agency we should place some retired American general." Malik is clumsier: "The representative of the United States of America tried to pry open by sheer force a widely gaping door when he attempted to assert that the representatives of the USSR were opposed to the collection of information as to the numbers of armaments and armed forces."

The Wise Men of Tibet

Will They Inherit Our Atomized World?

BY BURANG
The pen name of an English authority, author of "In Secret Tibet"

WHILE the rest of the world copes with turmoil, a country six times the size of the British Isles, with a population of about 3,000,000, is sitting quietly by viewing our struggles with a half-hopeful, half-skeptical eye. That country is Tibet, land of gigantic mountains and forbidding deserts—and of a startling new concept of the possible future.

When the UN was born, most of the world discussed it hotly and rushed to join it. Tibetan scholars discussed it with interest—but that was all. A letter on the subject, translated literally, reads in part:

"In the white-men-inhabited-part-of-the-world there has been created an Association called United Nations for preventing war and strife. Many Governments are sending gold-letter-men [representatives] to that Association."

Tibet sent no gold-letter-men to Lake Success. It still dwells in its own unique isolation. Tibet has no railroads, no highways, no automobiles—indeed, no wheeled vehicles. Intellectually, Tibet is even more secluded by its language and its way of thought than by its geography.

A gifted foreigner needs at least 20,000 hours of study to learn the Tibetan language, grasp its living thoughts. For in his speech the educated Tibetan is essentially an artist, not a philologist. He seems to fear killing the essence of a thought by formulating it too exactly. The more sublime it is, the less interested he appears in squeezing it into anything resembling a definition.

For example, Tibetans have no equivalent for such words as "god" and "spirit." Instead a Tibetan may discuss these spiritual concepts with such delicacy of nuance that for one Western word he may require a whole series of Tibetan words.

On the material plane, conversely, Tibet may have a single word where we boast a dozen or more. *Thrulkhor,* which literally means "magic wheel," serves for a wide range of appliances. If you tried to describe a Western factory in Tibetan, you would have to work with a handful of such schoolboy words as "machine," "fire," "storm," "iron." The same difficulty, in reverse, confronts the translator of spiritual Tibetan thought into English. The cultured Tibetan is very inclined to find fault with Westerners for their emphasis on the material. This view extends to the West's proudest material development, the atom bomb.

The Tibetan realizes full well that the conquest of atomic power threatens most of humanity with extinction. He fervently hopes for the best, but at the same time feels that if our "elite" fails to give meaning and purpose to our conquest and the riven atom wipes us out, our culture will have proved soulless and will have gotten just what it deserves.

Tibetans base their global attitude on a philosophy that contends mankind swings between two extremes: that of overemphasizing the individual (as in the Western tendency) and that of suppressing the individual (as in Buddhism or modern Communism). Today the scholarly Tibetan sees no hope for humanity in compromise between these extremes. To him the only solution is a new spirit.

The Tibetan still feels that any effort to "organize peace" should be supplemented by a change in the hearts of men. *Why* men do a thing, he says, matters more than *what* they do. Are men opposed to war, he asks, because they really are against war—or because they merely are afraid of it?

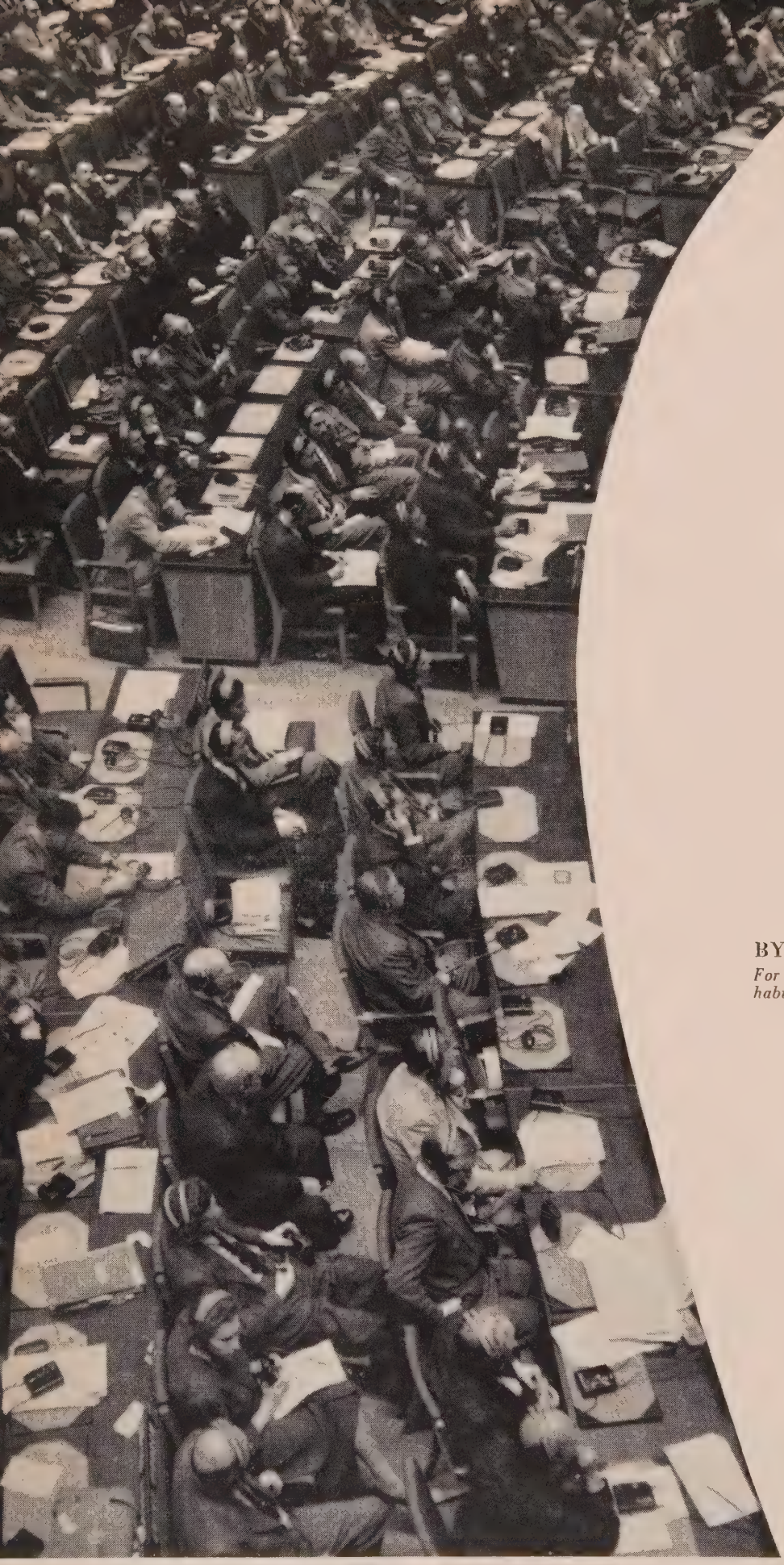
Naturally, not all Tibetans enter these deep spiritual waters. Only a small minority knows what is going on in the outside world. The masses live in ignorance. Many still have an almost incredible notion of the Westerner—even of what he looks like.

But the informed, alert minority stands at the center of a circle whose influence sets the tone of "hopeful skepticism" for the world. The wise men of Tibet know that three million materially backward Tibetans carry little weight in a world of force. But they also know what it means to be located in the bare, thinly inhabited reaches of Inner Asia. Protected by empty space, they feel sure that in almost any conceivable world catastrophe their country would survive.

So, under present conditions, Tibet is not inclined to be drawn into outside alliances or entanglements. The wise men of "the roof of the world" prefer to watch the progress of UN—and wait. If worst comes to worst and chaos engulfs the globe, they are sure their obscure backwater will escape. And then, they say, Inner Asia may become the spiritual nucleus of a better and saner world.

SPIRITUAL guide for three million Tibetans, the hallowed Dalai Lama.

Painting by Nicholas Roerich



DIPLOMATS, EARPHONES AND COAXIAL CABLES—CIRCA 1949

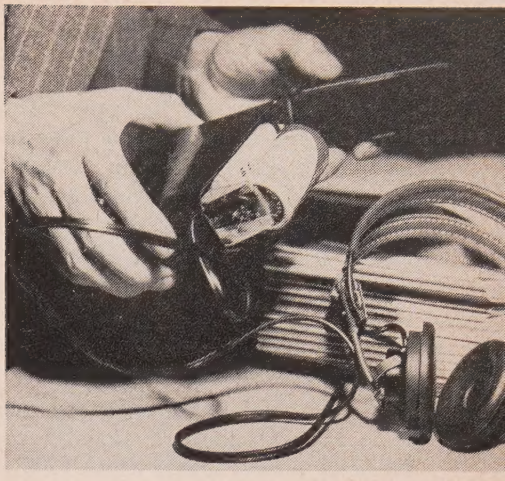
Push Butto

BY EMERY KELEN

For a quarter of a century, a professional habitue of international conferences

AT THE Versailles Conference, a congregation of well-groomed gentlemen in morning dress neatly distributed around a green baize table shaped the peace that followed World War I. At left is a meeting of today's world makers, hair rumpled by earphone straps, three-pound electric batteries with volume control and language selector dangling along their necks, shackled to one another and to the outside world by a tangle of coaxial cables. How could 29 years so change an international conference?

Actually the 20th century engineer required less than 20 years to put diplomacy in a high-frequency strait jacket. It was at Geneva only a few



AN IBM gadget, the "simultaneous interpretation wireless receiver"—portable—makes a speech audible within a radius of 50 to 100 feet of UN conference rooms.

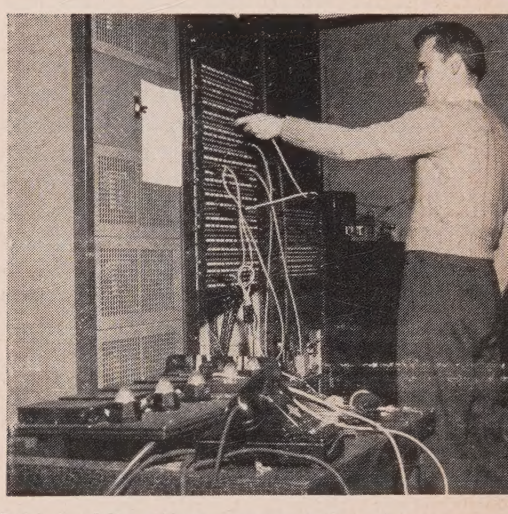
Diplomacy

THE CAMERA, THE RADIO, THE TELEVISION SCREEN

THE WALKIE-TALKIE AND THE WALKIE-HEARIE

ALL FORESHADOW THAT OUTGRABEOUS DAY

WHEN TELE-MIND DETECTORS END ALL CONFERENCES



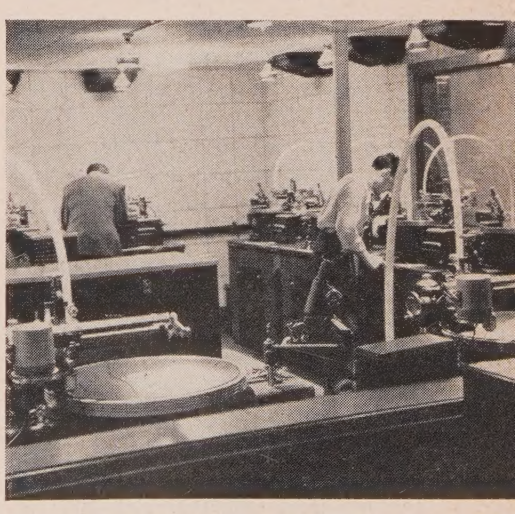
RCA "public address equipment" is this tall board with plugs, tubes, lights and meters. Purpose: to project voices raised in Flushing Meadow's Plenary Hall.

months after Versailles that, at the First General Assembly of the League of Nations, a shrill voice was heard from the balcony, "Attention, Messieurs!" The surprised delegates looked upward toward the voice and saw a local photographer named Jullien, perched high on a ladder, aiming at them a huge, accordion-like machine.

"Ne bougeons pas!" As the fellow fired his orders, he pulled a black cap from before his lens. The delegates froze—some perhaps in angry incredulity. For the first time in history, diplomats took orders from a cameraman, and held their breath for 15 seconds.

Once diplomacy had surrendered to Jullien's voice, no earthly power could halt the trend towards complete subservience to the gadgets of communication. Not long thereafter photographers walked up to the conference table, shouting, "Hold it!" The crackle of small thunder, the brilliant flash of lightning, and an infernal cloud of exploded magnesium lent weight to these words. On massive camera plates the delegates emerged, stiffened into statues, one holding a finger pointing in the air, another lifting a pen as if to sign a treaty, others shaking hands.

So diplomatists learned to pose. To be an effective servant of his country, one had thenceforth to photograph well, be photogenic.



"PRESTO 8-D recording lathes" cut in wax the spoken word. Overshadowed by turntables, panels and glass arcs, human accessories flip switches, adjust knobs.

UN Diary *continued*

One morning, in the year 1925, League delegates found on their tables a suspicious-looking metallic pomegranate, installed there by night. Nobody knew what it was but one catarrhal delegate soon discovered when he blew his nose near it, that his polite blast was amplified to that of seven angelic trumpets heralding the Day of Wrath.

The little nobbin on the conference table brought about a singular reversal of values. Voices which hitherto had faded in the back rows to thin, wispy tenors suddenly became noble baritones, and noble baritones became unsupportable barkings. Under the aegis of the microphone, fortunate orators rose to fame and less fortunate ones sank into oblivion.

Diplomats had to learn to be radiogenic, to lower the voice, avoid the anguished shriek, the ebullient leap, keep constantly a proper distance from the mike, and not to overturn it with vehement gesture. In time a shiney corn-on-the-cob was added to the pomegranate, then a rust-proof banana, a chromium-plated prune, a pineapple, a potato, and an eggplant, and in the Assembly Hall a special little table had to be annexed to the speaker's platform to hold all this still life. The effect on diplomatic oratory was, in general, soothing.

By 1926, at the time of the signing of the Kellogg-Briand Pact, the electronic age was far advanced. M. Becq de Fouquière, Chef de Protocol of the Quai d'Orsay, supervised with historical dismay the profane crowd of radio engineers, newsreel photographers, and cameramen who invaded the gilded Salle de l'Horloge and transformed it into a pagan Hollywood studio with klieg lights, booms, telescopic cameras, and miles and miles of cable which writhed like sulky pythons across the plush carpet. France's President Poincaré, blinded by the lights, became entangled in the cables and tumbled, to the despair of the Chef de Protocol, but to the delight of newsreel men.

Sizzling under the heat, and medium-rare, the delegates of 15 nations signed the Kellogg-Briand Pact for the newsreel cameras. Delegates assumed the posture, smile, and look in which they desired to be remembered by posterity. They had had, all at once, to learn how to pose and act.

In 1936 the system of simultaneous translation was introduced in the League of Nations Assembly. This led to new complications. The network of cables, receivers, and microphones became so jumbled that no one knew when he was heard or overheard. About this time it happened that a Czechoslovakian journalist named Lux shot himself before the full Assembly. In the ensuing tumult, Paul van Zeeland, the President, suspended the meeting, then, unaware that the mike before him was still alive, turned to a lady-secretary and asked in French:

"What happened?"

"Somebody committed suicide."

"So! Now the Assembly Hall is converted into a funeral parlor."

A Latin-American delegate, very excited, rushed to the rostrum.

"Mr. President, it is inadmissible that people come here to commit suicide!"

"What am I to do?" inquired van Zeeland. "I cannot search everybody who comes in here to find out if he carries a revolver in his pocket."

Thus the microphone taught international confreres a new lesson: delegates should be seen, and not overheard—a lesson still not fully absorbed.

Today the switchboard, the microphone, the head-set, the battery powered receiving set with six different frequencies are just as much a part of a modern air-cooled, sound-proof conference room as the "eggcrate" ceiling which assures even lighting, or the glass cages where the wild crews of cameramen, radio commentators, and engineers are locked in silence away.

Diplomacy is now familiar with such pleasant devices as the walkie-talkie which enables a delegate to make a speech while walking in his sleep, if he so desires; and the walkie-hearie which enables him to stretch his legs in the delegates' bar without losing a word spoken in the conference room.

Just when the pattern of conference life was so comfortably established, came a new outrage: television. The photogenic, radiogenic diplomat now must be telegenic too.

The premiere was at the United Nations Security Council Meeting in Hunter College. The result was disastrous. The un-made-up faces of the delegates shrivelled to dark prunes on the screen. Unaware of the new menace, they employed little habits, very human habits, but not for the eyes of an irreverent audience.

Even more lamentable was their appearance when singled out to be interviewed. The old-school diplomat, educated in the tradition of dispassionate debate is almost a complete failure before the new medium which demands expression, action.

What next? The walkie-talkie and the walkie-hearie, suggest that the time cannot be far distant when a delegate will also be able to see and be seen without being present at the meeting at all.

This will lead, in turn, to the invention of the stay-at-homie, an instrument which will enable delegates to get together in a 10,000-mile-plus radius by just staying at home. Of course, a number of new coaxial cables will have to be wrapped around their necks and wrists, and a microwave transmitter fixed on their heads.

Inventions will have to be made, no doubt, to prevent leaks and piracy in the air. It is not impossible that one or another country will develop the Tele-Mind Detector. This will cause more consternation than the Atomic Bomb. It will make all known diplomatic methods obsolete.

It will doubtless be suggested that, if civilization is to survive, such an instrument must be brought at once under international control. It may happen that the countries in non-possession of the Tele-Mind Detector, before agreeing to negotiate any control agency, will demand immediate destruction of all existing machines; while the country in possession of it will demand control first, and consent to destruction of the machines only after control has been established.

A deadlock may occur, and under the menace of the Tele-Mind Detector, delegates may refuse to confer, holding that to confer would be not only useless, but dangerous.

If, by habit, however, any confirmed conferees should consent to negotiate, they will almost certainly, as a precautionary measure, come into the debate with absolutely nothing on their minds. And this, too, may be accomplished through habit induced by gadgetry.

Sir Hartley Shawcross

Britain's Attorney General Rates the UN

50 Per Cent . . . *plus*

■ In the October, 1948, edition of UNITED NATIONS WORLD, Foreign Secretary Ernest Bevin made an important statement of Britain's UN policy—that the UK would oppose amendment of the Charter. In this article, her Attorney General takes Britain one step further—to full support of the UN and approval of its performance.

IN THE political field, the United Nations has two main objectives: to prevent international differences leading to war, and to provide a center in which international problems can be harmonized and solved.

So far during these three troubled years, actual war—a war of arms—has been averted. It has been averted, in spite of many incidents which, in days gone by, might easily have led to war; and that is largely due to the existence of United Nations. In its first vital function, therefore, the UN has by no means failed.

On the other hand, in its second function of harmonizing international differences, it can hardly be regarded yet as a going concern.

The result of these two things—of its success in preventing a military war and of its failure to harmonize the international differences which might lead to war—has been perhaps this: that it has led certain nations to further their aims, not, as they might otherwise have done, by a war of arms, but by what is called a "cold" war, a war of nerves.

This is a war in which political and economic weapons take the place of military ones, and in which the United Nations is itself made to some extent the battlefield. Indeed, it may perhaps be said that the very success of the United Nations in averting military war has contributed to this different war, this new phenomenon which confronts the world.

For when international differences remain unharmonized and certain states reject the possibility of international compromise and agreement, then those states, still bent on achieving national aims which they cannot risk achieving by war, will seek other means and use other methods to achieve them.

The methods that are being used now are the methods of violent and utterly unscrupulous propaganda, of political infiltrations, of economic sabotage. These methods are less frightful in their immediate effects than would be the terrible calamity of a war of arms. But their object is the same. Unless they are effectively countered, their results could destroy our free and democratic way of life, just as effectively as Hitler might have destroyed it by his vast armies and weapons of destruction.

The states which are prosecuting this cold war are made bold in what they do by the belief that in no circumstances would the people of Western Europe fight a war of arms. It was that same belief which encouraged Hitler in his aggressions in 1937, 1938 and 1939.

They must now realize that, though the British are a peace-loving people, we will never again be prepared to buy peace at any price. It would be a grave error if foreign countries were to believe the handful of Communist propagandists who assert that the British people will never fight. They will fight by all means in their power, even in the last resort, with their lives, to preserve the freedom, the Parliamentary democracy and the way of life we have built up.

For the present, I am convinced that it is in the collective action of peace-loving states in the United Nations that lies the best insurance against the risk of military war or of those conditions of instability in which the seeds of totalitarianism take root. The United Nations, however, only provides the machinery for the purpose of promoting international understanding and agreement. It is a means to an end; it cannot create agreement where none exists. It is foolish to attribute to it powers of action it does not possess.

The real reason the machinery is not working properly is that certain member states do not seem to want it to work. The truth is that there is a complete lack of confidence between the Communist powers and the Democracies. And for that reason, or because, as many think, the Communist countries are intent on destroying and dominating the democracies of Western Europe and the world, the Communist states will not use the United Nations as the instrument it was intended to be and still eventually must become for harmonizing differences.

Nevertheless, although the situation is serious and the United Nations is not operating as it should to harmonize international differences, and although the tendency to divide the world into two seems to be increasing, I firmly believe that the United Nations is the one organization in which the two camps, if two there must be, can finally learn to live together in peace and which, in the meantime, by the concrete expression it can give to world opinion, may avert the ultimate calamity.

That in itself is sufficient to justify determined support of the UN.

An Editorial—BY LOUIS DOLIVET
International Editor

Not Silence—Not the Sword

Man's hope lies in learning what the UN has done and aims to do

Today it is a race between Education and Chaos.
H. G. Wells

SKEPTICS and cynics about the United Nations will find great encouragement in the saddening speech made on February 10, 1948, by Mr. Roland Lebeau, the Belgian representative to the Economic and Social Council. Mr. Lebeau merely suggested that there is no use whatsoever in spreading knowledge about the UN.

The best way to serve the UN, according to Mr. Lebeau, is to remain quiet about its aims, achievements and failures, about its titanic struggle for a better world. In the midst of one of the most decisive political and moral crises in the history of man, the Belgian delegate can only propose a silence which is hardly golden.

He delivered this statement during debate on implementing a resolution unanimously adopted by the General Assembly calling for the "teaching of the purposes and principles, the structure and the activities of the United Nations in the schools of member states." In the opinion of the honorable representative from Belgium, the contribution of the UN is not commensurate with the human effort, the time and the money devoted to it.

But certainly Mr. Lebeau does not seriously expect us to believe that $15,000—the sum proposed to carry out the General Assembly's resolution—frightens him, or any delegate. No country contributes to the UN beyond its capacity to pay.

The contribution of the US to the budget of the UN amounts, for example, roughly, to 15 cents a year for each of its 150,000,000 inhabitants. Mr. Lebeau surely realizes the per capita cost of the UN is even less in his and other countries.

The waste of time devoted to UN meetings which he also deplores is something which really should be a consideration only when it comes to the time left to mankind, and not to the time spent to save mankind.

Were the Belgian delegate to follow through his conclusion logically, he should have urged that the UN be immediately dissolved. We doubt that the people of Belgium or of the rest of the world are ready to destroy, at one stroke, the hopes and dreams which have heartened millions in the Allied camp—in the home front, in the armies, in the Resistance movements—and which today animate all men and women of good will, for the sake of saving 10 cents per inhabitant of the earth.

The way out of the present grievous international situation is not silence about the UN, but rather an intense educational drive to explain its aims to all peoples. Nothing will hold back a potential aggressor more surely, or link the potential victims of aggression more closely, than the knowledge of UN principles.

As Mr. Lebeau seems to have difficulty in discovering reasons why UN principles should be taught, may we submit the following—six out of many more:

1. The Charter is one of the monumental affirmations of the human spirit. Its precepts are based upon the common heritage of the best in all civilizations. To know these precepts is to enrich one's understanding and deepen one's moral awareness of the dignity of man.

2. The Charter stands for the maintenance of international peace and security, for co-operation among nations on economic, social, cultural and humanitarian lines, for the promotion of human rights and fundamental freedoms, without distinction as to race, sex, language or religion.

3. The UN has been decisive in resolving or localizing the threats to peace arising from conflicts in Iran, Syria, Lebanon, Kashmir, Palestine, Greece and Korea.

4. The UN has adopted the first universal declaration of human rights. It has adopted the convention against genocide, which makes mass destruction of people on racial or religious grounds an international crime.

5. The UN International Children's Emergency Fund has helped to save 5 million children in Europe and Asia from starvation. The UN World Health Organization arrested a major cholera epidemic in Egypt and Syria and is improving health standards everywhere.

6. UNESCO is engaged in a universal educational and cultural reconstruction effort which, if not silenced, will change for the better the spiritual climate of the world.

These achievements can, must and will grow, lest time run out, and the "rest is silence."